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THE EMPLOYMENT SITUATION: OCTOBER 2003

HEARING

BEFORE THE

JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

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THE EMPLOYMENT SITUATION: OCTOBER 2003

FRIDAY, NOVEMBER 7, 2003

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The Committee met at 9:30 a.m., in room SD–628 of the Dirksen Senate Office Building, the Honorable Robert Bennett, Chairman of the Committee, presiding.

Senators present: Senators Bennett, Sessions, Reed and Sarbanes.

Representatives present: Representatives Saxton, Ryan, Putnam, Stark and Hill.

Staff present: Donald Marron, Ike Brannon, Jeff Wrase, Colleen Healy, Melissa Barnson, Chris Frenze, Robert Keleher, Rebecca Wilder, Wendell Primus, Chad Stone, Daphne Clones-Federing, Nan Gibson, Josh Shakin, and Rachel Klastorin.

OPENING STATEMENT OF SENATOR ROBERT F. BENNETT, CHAIRMAN

Chairman Bennett. The hearing will come to order. Good morning to all and welcome to today's employment hearing.

Like virtually every other economic statistic reported in the past month, the employment numbers released today are definitely good news for the American worker.

No matter how you cut it, the economy is adding new jobs at a rapid pace and will likely continue to do so for the foreseeable future.

The official payroll statistics indicate that the U.S. economy created 126,000 new jobs in the month of October, the third month in a row that payroll employment rose. The revised numbers now indicate that 125,000 jobs were added in September and that even August, previously reported as negative, is now considered to have been positive.

The unemployment rate declined to 6 percent. The household survey reported that employment increased by an astounding 441,000 in September, and according to the household survey, our economy has now essentially replaced all of the jobs lost during the 2001 recession, and the number of jobs is now at an all-time high.

Now I understand that we're going to be talking about payroll survey numbers. But I want to continue to examine the question of the disparity between these two surveys.

As I have looked at it, I have found that, historically, they've been very close together and the divergence began during our recent economic difficulty. And I would like to talk about why and what might be done to reconcile these two conflicting messages.

I believe that today's employment numbers, along with the steep drop in new jobless claims and the large increases in productivity and output, indicate quite clearly that the U.S. economy is returning to a period of strong growth.

The Bureau of Labor Statistics reported yesterday that productivity grew at an annual rate of 8.1 percent in the third quarter of 2003.

Now some of my colleagues tend to gnash their teeth at the high productivity growth of late, lamenting that firms are learning how to do without workers. However, our experience over 30 years tells us that periods of rapid increases in the productivity capacity of our economy are almost always accompanied by low unemployment.

Increasing the standard of living and employment at the same time requires healthy productivity growth.

Now it's too easy for the party in power to take the blame when the economy slows. And for that reason, it is all too tempting to take all the credit when things turn around.

I'm sure there are some who will insist that today's numbers are a consequence of Arnold Schwarzeneggar's having won in California.

[Laughter.]

But in reality, the government holds little sway over the business cycle, despite what some may think or desire.

Our economy floundered in the middle of the year 2000, in large part, due to a hang-over from the high-tech boom, likely abetted by a rise in interest rates. The stagnant economy was prolonged by the 9/11 disaster, resultant uncertainties in the Middle East, high energy prices, and various scandals in financial markets.

That our economy steadily expanded in the face of so many potentially calamitous events in succession is a testament to the ability and dedication of the American worker, as well as to our economic system.

This is not to say that government cannot spur the economy. I'm one who believes that the Bush tax cut enacted in 2001 undoubtedly softened the blow of the events that befell the economy and served to make the recession shallower than it otherwise would have been, and that the tax cuts passed this year provided some needed impetus at the right time.

Dr. Utgoff, it's always a pleasure to have you visit us, but we especially enjoy it when you come bearing good news.

So we welcome you to the Joint Economic Committee and look forward to hearing your testimony.

Mr. Stark, we'd appreciate hearing from you.

[The prepared statement of Senator Bennett appears in the Submissions for the Record on page 29.]

OPENING STATEMENT OF REPRESENTATIVE PETE STARK, RANKING MINORITY MEMBER

Representative Stark. Thank you, Mr. Chairman.

I find myself in the uncomfortable position of trying to make a sow's ear out of a silk purse this morning.

[Laughter.]

You are to be congratulated on the good news. We're not so far from Halloween, so I watched George the Lesser hop out of an airplane in his pilot's suit and say, "The war's over."

I now expect him to put on his pinstripe suit, get out of a limousine and say, "The Depression is over."

We'll see if he's any more accurate on the state of the economy than he was on the war.

We did create some jobs in the last couple of months. And you forgot to mention, I think, that the recalculation showed that even perhaps September's numbers were better than we had previously thought. And without switching to the household numbers, it looked good.

We're still facing a trillion dollars' worth of debt. We still have in San Jose, California, and in the Silicon Valley area, for instance, 300,000 highly skilled computer workers, programmers, out of work.

Now, it's one thing to say—"Great, fellas. You can go and get 20 hours a week at Wal-Mart." Of course, without benefits and, if Secretary Chao has her way, without union representation. But that's what's happening.

The good jobs aren't there.

High productivity—you're saying, yes, they're making stuff. But they're making it in Asia, and then they're bringing it back here.

It isn't so much that we're bringing the Indo-American workers over from India. We're now shipping the whole nine yards, the company and the factory and the workers, back to India, importing the stuff here, and our guys are out of work.

And the penultimate area is the South. It should be your territory.

The Republican owners of the textile mills have figured out that shipping the textile jobs overseas is closing their plants.

And yes, it gives us cheap T-shirts at Wal-Mart. But it also gives us pretty cheap jobs.

So we've got still about 9 million unemployed. We've got almost 5 million people who are employed less than full time and would like to work full time. 45 million people without health insurance, about 12 or 13 million of which are children.

Half of the people in America are earning less in the aggregate than the top 1 percent are earning. And if, Mr. Chairman, interest rates go up, which I think they'll have to do to refinance the trillion-dollar debt, then the housing market goes in the tank and we've got real problems.

And I'm happy to accord credit for creating these jobs. It's not enough. It's the worst job creation record since Herbert Hoover. But to not recognize the dangers is what scares me, to not have an exit plan. We've done that once in a different kind of war.

But to not recognize the danger of this swelling deficit and to know that it could really destroy the lives of many people if the real estate market, for instance, tanks, is what's missing.

Credit where credit is due and, as I say, I hate to be the skunk at the picnic, but I certainly would like us to be concerned about the almost 15 million people, 14 million people, who are under- and unemployed.

Thank you.

[The prepared statement of Representative Stark appears in the Submissions for the Record on page 30.]

Chairman Bennett. I'm tempted to respond.

Representative Stark. Oh, c'mon.

Chairman Bennett. And I shall resist the temptation.

Representative Stark. C'mon, c'mon.

Chairman Bennett. We're here to hear Commissioner Utgoff. We can have these debates back and forth, perhaps during the question period, or maybe even another forum.

Commissioner, we appreciate you being here and look forward to hearing what you have to say.

OPENING STATEMENT OF HON. KATHLEEN P. UTGOFF, Ph.D. COMMISSIONER, BUREAU OF LABOR STATISTICS U.S. DEPARTMENT OF LABOR, ACCOMPANIED BY KENNETH V. DALTON, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND JOHN M. GALVIN, ASSOCIATE COMMISSIONER, EMPLOYMENT AND UNEMPLOYMENT STATISTICS

Commissioner Utgoff. Thank you, Mr. Chairman, and Members of the Committee. I appreciate this opportunity to comment on the labor market data we released this morning.

Non-farm payroll employment rose by 126,000 in October, following increases in August and September that totaled 160,000, after revision.

I would note that the payroll survey estimates for the prior 2 months are always subject to revision as we receive reports from additional survey respondents. This increase in payroll employment over the last 3 months contrasts with declines in the February-July period that averaged 85,000 per month.

Several service industries added jobs in October. Manufacturing employment continued to decline, although at a slower pace than earlier in the year. The unemployment rate, at 6.0 percent, was essentially unchanged over the month.

Professional and business services added 43,000 jobs in October, with gains in many of its component industries. Employment in temporary help services continued to rise and is up by 150,000 since April.

Employment in private educational services grew by 23,000 in October. Job gains over the last 3 months have more than offset declines that occurred in June and July.

Over the year, employment in private education expanded by 56,000. Health care and social assistance added 34,000 jobs, with noteworthy gains in doctors' offices and in child daycare services.

In the leisure and hospitality sector, employment in food services and drinking places rose by 23,000. Job growth in food services has picked up in recent months; since July, employment has increased by 57,000. Within retail trade, food stores added 13,000 jobs in October. Employment in food stores was boosted by the hiring of additional workers in anticipation of strike.

Employment in construction was little changed over the month, but the industry has added 147,000 jobs since its most recent trough in February. In October, employment in credit intermediation decreased by 10,000, reflecting the decline in mortgage refinancing activity.

Manufacturing job losses continued in October. Declines in the sector have moderated in recent months, particularly in durable goods manufacturing. In October, both the factory work week and overtime were unchanged.

After posting a small increase in September, employment in air transportation fell in October. Since reaching its most recent peak in March, 2001, the industry has lost more than 20 percent of its jobs.

Average hourly earnings for production or non-supervisory workers, at $15.46, were essentially unchanged in October. Over the year, average hourly earnings rose by 2.4 percent.

Looking at some of the measures from our survey of households, the October unemployment rate of 6.0 percent was about the same as in September. The jobless rates for all the major worker groups showed little change over the month. About 8.8 million persons were unemployed, of whom 2.0 million had been without a job for 27 weeks or longer.

Employment as measured by our household survey rose over the month.

In summary, non-farm payroll employment rose by 126,000 in October. Since July, employment is up by 286,000. The unemployment rate, at 6.0 percent in October, was about unchanged.

Thank you. My colleagues and I would be glad to answer any questions that you have.

[The prepared statement of Commissioner Utgoff, together with Press Release No. 03-675, appear in the Submissions for the Record on page 35.]

Chairman Bennett. Thank you very much.

I do want to get into the question of the disparity between the household survey and the payroll survey. And I want to make it clear to everybody that these are not competing surveys from competing think tanks.

This is not Brookings versus Heritage. This is not the Cato Institute versus the Citizens for Tax Justice, each one going out and doing its own analysis.

They both come out of BLS. They're both done by the organization over which you preside. And I'm not challenging the validity of either one, understanding the methodology. But I'm trying to find out what can be done to change the methodology so that they come into some kind of coordination between the two.

Because, as I said, historically, they've run pretty much together. They started to diverge around the time of the economic difficulty we've just gone through, and they tell very different stories.

So it's to the interest of everybody that we try to understand why they are diverging, see what can be done to not necessarily bring them together, but to come up with some kind of understanding of exactly what is going on.

If I could share with you an example that came out of Bob Woodward's book on Alan Greenspan, called "Maestro." I'm not sure how many people have read it.

But in that work, Woodward records how Chairman Greenspan became convinced, looking at all of the data, that the way the Federal Reserve Board was calculating productivity numbers was wrong. And he said to the various economists and technicians at the Fed—"Your productivity number has got to be wrong. Productivity has got to be going up."

And they said, "No. Productivity is clearly going down. We are measuring it in the way that it has always been measured and it is going down."

And in a phrase that I have heard the Chairman use often, he said, "That violates the laws of mathematics. Productivity cannot be going down and the equation that produces the other numbers still work because we've got the final number out of the equation and the other numbers connected to it dictate that productivity has to be going up."

And so, in an effort described in the book as an economist's version of the Manhattan Project, they went into their methodology and discovered that the Chairman's instincts were correct, that their method of measuring productivity, however time-honored it may have been, was wrong, and that the overall information with respect to the economy did indeed dictate that productivity had to have been going up in the period and they had to change their ways of measuring it.

Now I tell you that because I think it might be instructive here on this question of the payroll survey versus the household survey.

What are we missing? How can we account for the disparity?

Now I understand that the household survey picks up agricultural jobs which the payroll survey misses. The household survey picks up the unemployed, which the payroll survey misses. But the gap is too big to be filled with those two numbers.

If there's a statistical problem—that is, statistical noise in one or the other of surveys, or both—we ought to do what we can to try to fix that. We ought to do what we can to try to eliminate that noise.

Some have suggested as they've looked at this that the gap is partly due to immigration. That is, the household survey picks up illegal aliens who are in the country and working in situations where they would not be on payrolls.

I think there may be some of that, but that number can't be large enough to explain the disparity in the surveys.

A very quick anecdote that I would share with you.

Flying back from Utah this last time, my seatmate on the airplane and I got into a conversation. She described her employment situation. She was one of those software engineers that Congressman Stark has talked about who lost her job.

She was flying first-class to Washington on a platinum medallion status, obviously very much involved. And I said, "What do you do now?" And she said, "Well, now, after I lost my job working for a large company, I got together with a few other software engineers. We formed a small company. We've got a niche that we're operating in. I'm earning more money now. I'm busier now. I'm flying to Washington every week on a lucrative consulting agreement with the government and doing far better than I did before."

But the firm that was formed that she's involved with now does not show up in the payroll survey in any way. And she would not say that she's at Wal-Mart selling T-shirts. She'd say that this was the greatest thing that ever happened to her.

I don't know how many of those firms there are out there, little firms that fly under the radar screen of the payroll survey.

And so, just quickly, could we have a discussion about what can be done to try to reconcile the differences between these two surveys?

And once again, I stress—these are not ideological surveys being pushed by two different think tanks. These are both surveys carefully constructed and managed over time by the Bureau of Labor Statistics which in previous eras did not diverge that much, and now are diverging a great deal.

Can we discuss this? Have we got any ideas as to which one comes the closest to telling us what's really happening in the economy and what methodology might have to be changed in either or both to bring them back to a range where you can explain the differences between the two of them?

Commissioner Utgoff. Mr. Chairman, first I'd like to point out that the payroll and the household series have behaved differently.

In the late 1990s, the payroll series grew faster than the household series. The BLS and the Census Bureau have undertaken a thorough review of that period to try to explain the differences so that it might shed some light on the current period.

It's difficult to understand, but we really couldn't explain a good portion of those differences. Some of them were due to the factor that you talked about, the immigration factor that was under-estimated in a recovery period.

It may in fact be that in a slow labor market, immigration and new jobs through immigration have been over-estimated.

But I can't tell you that we can explain all the difference. As you know, there are different surveys. They measure different things. But when they're adjusted for that, they still show different patterns since November and we really can't explain a good deal of that difference.

Chairman Bennett. Not to inject partisanship into this, but you understand how the two surveys get used in political oratory, with some saying that the one survey demonstrates that we've got a terrible job market and the other survey demonstrates that we have replaced all of the jobs that were lost in the recession.

That's a fairly significant statistical gap that needs to be filled in some way or another.

I'm glad to hear that you're working on trying to deal with it and I look forward to hearing the results of your efforts at some future time.

Congressman Stark.

Representative Stark. Thank you, Mr. Chairman.

Commissioner Utgoff, thank you once again for being with us and I guess thank you for brightening the Republicans' day.

I did want to ask you just——

Chairman Bennett. Can we at least say that all Americans are probably happy about this, including a few Democrats?

[Laughter.]

Representative Stark. Well, no. That's the problem, Mr. Chairman.

As I was going to say, at the beginning of the recession, in March, 2001, correct?

Commissioner Utgoff. Yes.

Representative Stark. I believe there were 132½ million people employed.

Is that correct?

Commissioner Utgoff. Yes.

Representative Stark. And how many people are employed today?

Commissioner Utgoff. A little over 130 million.

Representative Stark. Two-and-one-half million fewer people employed. And how many months of job growth at the level we had last month would it take us to get back to the pre-recession employment level?

I've got an answer here. Let me make it quickly.

Commissioner Utgoff. OK. I know roughly, but your answer——

Representative Stark. You tell me first.

Commissioner Utgoff. No, I don't have that calculation.

[Laughter.]

Representative Stark. I've got 19 months. Is that about right?

Commissioner Utgoff. OK. That's about right.

Representative Stark. So we've got a long time, Mr. Chairman, to go before we get back to where we were.

Now, just a little bit off the subject, but not completely.

In my other life, I worry about something obscure called TANF. And you keep some figures about unemployment among women who maintain families. And again, what my numbers show is that while we had 710,000 unemployed women who are maintaining families back in November of 2001, we're up now—and we even went up in October over September—but up to 781,000.

That's not a big change, but I think those are ballpark figures.

My question is, where we're requiring under TANF women to, or TANF recipients, most of whom are women, to work 40 hours, which is kind of an elusive number because there aren't many 40-hour jobs, a lot of 37, aren't we putting pressure on the labor market in an area where very fragile families—that's my editorial description of women who are working to maintain families—isn't that putting pressure on their finding jobs by pushing the welfare beneficiaries to work longer hours in the private market?

Commissioner Utgoff. Well, as the economy improves, it is likely that employment for all groups will improve, particularly for groups that are having labor market problems.

That is their best situation, is to have an improved labor market.

Representative Stark. OK. I guess I wish you'd said, if the economy improves.

But how many jobs—and I know this is an area in which you would still call this experimental or tentative data. But is it not correct that whether or not the JOLTS program has been determined to be accurate and technically correct, that we had fewer jobs open at the end of August—I think 3 million is the number—and that prior to that, we had something like 3¼ million jobs?

Can you give me a little estimate? How many jobs are out there that are open, and has that gone up or down?

Commissioner Utgoff. Yes, Mr. Galvin will answer that. He has the figures.

Representative Stark. OK.

Mr. Galvin. Our JOLTS survey showed about 3 million vacancies in our latest data point, August, 2003. That's down from about 3.2 million a year earlier.

This is a very short series. We've only been putting it together since December 2000.

Representative Stark. I'll give you the disclaimer. I know that this is a very new and tentative figure that you're keeping and I didn't mean to—but it's interesting, and mostly interesting not so much in the change from 3.0 to 3.3, where, if you're learning, there's a learning experience on how to get this.

But the fact that somehow, we've got 9 to 10 million people that we're trying to cram into those 3 million jobs. And that to me is like trying to pour a quart of milk into an eight-ounce cup.

Something doesn't fit. If we've got 3 million vacancies out there and 9 million people, not to count the unemployed, the part-time employed, we've got a shortage of jobs.

Is that right? Does that make sense?

Mr. Galvin. Well, again, we don't have much experience with the relationship between these levels of openings and the relationship of the employment levels.

Representative Stark. But if that's right, then we're short 6 million jobs somewhere, roughly.

Right? We've got roughly 10 million people looking, or 9.8, and you've got roughly 3 million openings, as I look at it—this is hypothetical, but doesn't that say that we've got about three times as many people unemployed as we have jobs available, if your figures are right?

Mr. Galvin. That's the relative size of the numbers. There will always be some search unemployment, people, when they leave jobs, will take some time to find other jobs.

Representative Stark. There's entropy in the system. I understand that.

But I just wanted to get some order of magnitude here. So that a couple hundred-thousand jobs doesn't make a real big dent in that discrepancy of somewhere around 6 million jobs.

And that, Mr. Chairman, is what I was alluding to in my opening remarks, is that there doesn't seem to be a program, other than tax cuts, to deal with the 6 million people, or, if poetic license, 5. But a big number of people who are looking for work for whom openings don't exist.

Thank you.

Chairman Bennett. Thank you.

Mr. Ryan.

Representative Ryan. Thank you.

Commissioner, I wanted to go back to the difference between the two surveys because that, too, is very fascinating to me. A couple of questions.

Since the household survey counts the self-employed and the payroll survey seems not to do that, is the payroll survey missing a significant development in the labor markets? Question number one.

Question number two: compared with the results of all the other indicators we've been getting over the past week—and we've gotten quite a few, and most of them are pretty good—which employment survey, in your opinion, has been more consistent with other economic indicators as they interact with those?

Commissioner Utgoff. The question about self-employment, we know from the household survey, we know how many people are self-employed, and you can correct for that in comparing the household and payroll series.

Self-employment has been up about a half-million, a little more than half-a-million over the last year. And that accounts for much of the difference over the last year.

But the difference since November 2001 has been greater than that when the economy started at the trough of the recession. It's more difficult to explain the difference since then.

Representative Ryan. Would self-employment be the largest piece of the puzzle, so to speak, to explain this anomaly, this huge divergence between these two indicators, or these two measurements?

Commissioner Utgoff. In the last year, that's been the most discrepancy.

Representative Ryan. OK. What about a trend? Or looking at the other indicators, which one seems to be a little more consistent with the other indicators?

And do you see a trend emerging now that we have September and October data, which seem to be moving very much in the same direction, building momentum? Do you see a trend emerging?

Commissioner Utgoff. The BLS measures current conditions.

Representative Ryan. I know.

Commissioner Utgoff. We don't really predict what future conditions will be.

Representative Ryan. And you're not willing to take note of something that looks to be like a trend?

Commissioner Utgoff. There have been 3 months of job increases.

Representative Ryan. OK. Manufacturing—that's the other quick question, while I still have some time.

Now the big knock that you hear rhetorically between the payroll survey and the household survey is it's really people losing their jobs in manufacturing and going over to the service sector.

I think that pretty much describes what some people are saying.

Is there evidence of that?, number one. Number two: are the manufacturing sector employment losses unique to this country, or is it indicative of a worldwide trend that's occurring in many countries around the world where factory employment and manufacturing employment is down, perhaps due to productivity?

So is it a unique trend to America or is it a worldwide trend? And is the claim valid that the difference between these two surveys indicates that people working in higher-paying manufacturing jobs are losing those jobs and going to service jobs? Whether they're higher- or lower-paying, we don't know.

But is there a lot of validity to that claim?

Commissioner Utgoff. No, that wouldn't be correct because the payroll survey picks up people in both the manufacturing and in the service industries.

So that a shift would not affect the total numbers.

Representative Ryan. That's helpful. Thank you.

What about worldwide versus America trends?

Commissioner Utgoff. A decline in manufacturing employment has been widespread throughout the developed countries.

Representative Ryan. So the decline is worldwide. Is that pretty much a productivity story?

Commissioner Utgoff. Yes, the decline in manufacturing employment for many developed countries is a productivity story.

Representative Ryan. OK. I think that's all I have.

Chairman Bennett. Senator Reed.

Senator Reed. Thank you very much, Mr. Chairman.

Thank you, Commissioner. How does the current level of non-farm payroll employment compare to the level at the start of the recession in March, 2001?

Commissioner Utgoff. It's roughly 2.4 million jobs.

Senator Reed. Less, today.

Commissioner Utgoff. Yes.

Senator Reed. And we've been now about 31 months in declining jobs.

So today's news is good news. But the question I think we all have is, is it sufficient to begin replacing simply the jobs that we've lost over these last 31 months? Just as importantly, are we potentially generating new jobs because of new entrants into the labor force?

I think Secretary Snow talked about 200,000 jobs a month, which is a revision downward of his previous suggestion. We grew about 124,000 jobs this month.

Commissioner Utgoff. 126,000.

Senator Reed. 126,000. So we're falling short of enough jobs to begin to basically fill the gap.

Is that correct?

Commissioner Utgoff. Yes.

Senator Reed. So it's good news. But in context, we've got such a long way to go to rebuild employment, that we're not over the hump yet by any stretch of the imagination, even by Secretary Snow's calculations.

Is that accurate?

Commissioner Utgoff. Well, Secretary Snow's calculations would be that about 200,000 jobs a month is more than is needed to reduce the unemployment rate. You need about 125,000 to about 150,000 jobs a month to reduce the unemployment rate.

Senator Reed. And we had 126,000 new jobs, so there's a slight reduction this month. This month.

Could you comment on the participation rates, the trends, because information that I have suggests that there is a growing number of people not participating in the labor force, therefore, not being counted as unemployed technically, but certainly not with employment.

Can you comment on that?

Commissioner Utgoff. Well, participation rates have declined about 1 percent since the peak of the cycle.

Participation rates tend to weaken during a recession and then tend to strengthen during the recovery period.

Senator Reed. But as these participation rates strengthen, and correct me, then you have more people looking for jobs. And essentially, that could be a break on the unemployment rate going down.

Am I correct, as more people enter the force?

Commissioner Utgoff. Well, when the economy is at a level state, an increase in the participation rate will tend to put upward pressure on the unemployment rate.

But the relationship is if jobs are growing faster than the labor force is growing, then the unemployment rate will still decline.

And what you see in practice is that during periods of recovery, employment increases faster than the labor force. And the reverse in a recession.

And during the late 1990s, for instance, there was a strong increase in the participation rate and the unemployment rate went down.

Senator Reed. Do you anticipate that happening in the months ahead? Do you have any sense of that?

Commissioner Utgoff. No.

Senator Reed. And that's because you haven't sampled it or because the data is unclear, or you don't do it?

Commissioner Utgoff. The BLS does not make projections.

Senator Reed. Well, again, I think this is good news today. But the struggle is not over. We have a long way to go to replace 2½ million jobs that were lost in the last 31 months.

And there are still some variables, one of which is the participation rate, which is unclear yet. You look backwards, but you don't look forward.

And so, again, I think we should take some comfort from the numbers, but not satisfaction that the job is done.

I guess the other question I would raise in terms of—what would the unemployment rate be if the participation rate had stayed the same rather than changed?

Would we have had higher unemployment numbers?

Commissioner Utgoff. That's unclear because the people who participate in the labor force, you have to ask how many of them become unemployed and how many of them go straight into employment.

So you really can't say what the unemployment rate would be if the participation rate stayed the same.

Senator Reed. And the final question, the reports of significant productivity increases, which raises perhaps in my mind—it might not be accurate in terms of the statistics or the models—sometimes it's the result of a replacement of workers by machines, computers, et cetera.

If productivity grows dramatically, does that take the pressure off hiring? Does that mean that companies, because of mechanization, computerization, new techniques, that they can still have impressive gains in their bottom line without hiring more people?

Commissioner Utgoff. In the short run, productivity can put downward pressure on jobs.

But in the long run, productivity increases are what's needed for economic growth and for employment growth.

So it's a question of whether we're talking about the short-run or the long term.

Senator Reed. How would you define the short run?

Commissioner Utgoff. In the matter of years.

Senator Reed. Years.

Commissioner Utgoff. Yes.

Senator Reed. So that there is the possibility, unclear yet, that because of the significant productivity increases, which might be driven by capital investment rather than employment, that that could be another downward pressure on employment.

Commissioner Utgoff. That's correct.

Senator Reed. Thank you very much, Commissioner. Thank you.

Chairman Bennett. Mr. Putnam.

Representative Putnam. Thank you, Mr. Chairman.

I'd like to follow up on the productivity line. To what degree do we attribute the gains in productivity to structural changes in the economy like the continued advances in information technology, the continued automation of manufacturing?

And to what degree are they more temporal than structural in that people are fearful of their jobs so that there is some angst and therefore, this emotional productivity that is derived that is not sustainable, to what degree are the productivity gains structural versus temporal?

Commissioner Utgoff. I can't answer that question. I have no data to answer that question.

Representative Putnam. We don't know, then, we don't have a good sense then of what is driving these productivity gains.

Commissioner Utgoff. Well, there have been strong increases in output and it has been suggested that this was due to a heavy investment in IT technology in the late 1990s.

Representative Putnam. The IT technology has been something that you and Mr. Greenspan and others have attributed tremendous productivity gains to for a number of years now.

Do you have a sense of how long we can ride that wave? How long will the IT improvements continue to fuel the productivity?

Is that a long-term structural increase in productivity that will be with us for some time, or are we on the backside of the IT productivity curve and we need to find the next big thing?

Commissioner Utgoff. I really can't answer that question. But I would note that business investment has been up.

Representative Putnam. OK. What's the regional nature—is there a regional nature to the employment numbers?

And if you would elaborate on who's winning and who's losing? And is there a regional nature to the productivity?

Commissioner Utgoff. We don't have regional measures on productivity. But the changes in employment have been widespread throughout the country.

Mr. Galvin. I'll search for that.

[Pause.]

Representative Putnam. While you're doing that, give me some sense of the historical unemployment average since World War II.

What is the average unemployment rate in this country in the post-war economy?

Commissioner Utgoff. Can I get back to you on that?

Representative Putnam. I'm striking out here. Give me this sense.

There used to be a number that was considered an unemployment rate that was largely considered full employment.

Has that number shifted over the last several decades?

Commissioner Utgoff. Well, for a while unemployment rates in the area of 5 percent were considered what you would call the natural rate of unemployment.

The experience in the late 1990s has called that into question.

Representative Putnam. But up until the mid-1990s, that was largely considered the natural number.

Commissioner Utgoff. Yes.

Representative Putnam. And the unemployment today is what?

Commissioner Utgoff. 6 percent.

Representative Putnam. 6 percent.

Commissioner Utgoff. Yes.

Representative Putnam. So a percent over what, until recently, may have been considered the standard natural unemployment rate in the country.

Commissioner Utgoff. Right.

Representative Putnam. Thank you. Have you had any luck, Mr. Galvin?

Mr. Galvin. Well, I've got the unemployment rate with me back to 1956. I don't have averages over that period.

You asked for the long-term unemployment average back to World War II.

Representative Putnam. Well, the 1950s will do. You're still way beyond my time, so——

[Laughter.]

Mr. Galvin. 1950s, it was in the 4.2 percent vicinity in 1956.

Representative Putnam. OK. And let me go back to the Commissioner, if I may, just for a final question.

Does your household survey, and this is something that the Chairman and Mr. Ryan have gotten into extensively. Do you feel that it adequately captures independent contractors and the self-employed and the budding small businesses?

Is it really an adequate model to capture those folks?

Commissioner Utgoff. It does capture those categories of workers.

Representative Putnam. OK. Thank you very much.

Thank you, Mr. Chairman.

Chairman Bennett. Mr. Hill.

Representative Hill. Thank you, Mr. Chairman. Thank you, Commissioner, for being here.

I want to get into some of the ways of how you conduct your household survey.

Can you kind of explain how you do it? Do you contract it out? Do you do it in-house?

Commissioner Utgoff. The Census Bureau conducts a survey of households under contract to BLS.

Representative Hill. What kind of questions are you asking?

Commissioner Utgoff. There are a number of questions on the survey.

Did you search for work in the last 4 weeks? If not, do you want a job? And it just goes through many categories of labor force status.

Representative Hill. And what's the sample?

Commissioner Utgoff. The sample is about 60,000 households a month.

Representative Hill. OK. I want to get into what—by the way, Mr. Chairman, I am encouraged by this data here. I'm one Democrat who hopes that this economy is going to be recovering.

I'm from Indiana. And we've lost a lot of jobs in my District. And in particular, we've lost a lot of manufacturing jobs.

In your survey, as Congressman Ryan was talking about earlier, we have had a loss in this last month of manufacturing jobs.

And the question I have for you, do we know what kind of jobs these are, these manufacturing jobs, that have been lost and we are continuing to lose?

Commissioner Utgoff. The manufacturing losses have been throughout subsectors of the manufacturing industry. They have been, for part of this last 2 years, concentrated in durable goods, and in other things like textiles.

Representative Hill. OK. The reason why I ask you about how you conduct your survey, do you ask questions as to what kind of manufacturing job a person had that they lost?

Commissioner Utgoff. The payroll survey, the other survey, goes to employers. And they are classified under a system that tells you what industries they are in so that you can group them and describe them.

So we don't ask the people what industries they're in. We ask the employers.

Representative Hill. OK. What I'm trying to get at, Commissioner, is I'm trying to determine whether or not these manufacturing jobs are going to come back.

Is there any way when you're asking your questions, can you determine whether or not there is the possibility—what I'm trying to get at, are these permanently lost jobs or are they jobs that some day we can regain?

Do you have any idea when you're asking your questions?

Commissioner Utgoff. The BLS doesn't project activities in the future. But I can say that since the 1950s, and even before that, manufacturing's share of employment has declined fairly steadily.

Representative Hill. And you said earlier that this is not unique just to the United States, that this is worldwide.

Commissioner Utgoff. In most developed countries.

Representative Hill. How about non-developed countries?

Commissioner Utgoff. Well, in some non-developed countries, manufacturing has increased.

Representative Hill. Could you cite some of those countries?

Commissioner Utgoff. We don't produce information on manufacturing or any other jobs in developing countries.

Representative Hill. OK.

Senator Sarbanes. China, obviously, one would think. Just the man in the street would say China, wouldn't he?

Representative Hill. Yes, they would.

Commissioner Utgoff. Well, the conventional wisdom and the anecdotal evidence seems to be that China has had a very large increase in manufacturing jobs.

Senator Sarbanes. Right.

Commissioner Utgoff. But again, we don't measure those.

Representative Hill. Commissioner, what I'm trying to get a feel for is these jobs in manufacturing that are being reported lost every month, I'm trying to get a feel for whether or not they are ever going to be coming back. Or are they lost forever?

And what I take it, and in your data that you collect, you can't make that determination.

Commissioner Utgoff. No, our data is for current and previous periods.

The long-term trend has been that manufacturing as a share of employment has gone down.

Representative Hill. OK. Congressman Ryan was also talking about the shift from manufacturing jobs into the service sector, that people who have lost their manufacturing job that are now in the service sector.

Do we have any idea what difference in wages that person is experience? Is it a decrease in wages? An increase in wages?

Do you ask that question in your surveys?

Mr. Galvin. We do not track on a current basis employees from one job to another job. We could get you information after the hearing about average salary levels in the service sector versus the manufacturing sector.

Representative Hill. OK. Thank you, Mr. Chairman.

[Response of Mr. John Galvin to Representative Hill appears in the Submissions for the Record on page 60.]

Chairman Bennett. Senator Sessions.

Senator Sessions. Mr. Chairman, I'll pass.

Chairman Bennett. All right.

Senator Sarbanes.

Senator Sarbanes. Well, thank you very much, Mr. Chairman. Commissioner, welcome. It's nice to see you again.

I want to take just a moment to address the subject you were addressing with Congressman Putnam on the concept of NAIRU, the Nonaccelerating Inflation Rate of Unemployment.

A number of people don't accept that concept, including Alan Greenspan, who has testified about that at some length.

And the figure has been all over the lot, depending on who's invoking it, and for what purpose. But it's very clear that in the recent past, we experienced 4 percent unemployment without an inflation problem. And that led everyone to sort of revise their views. And of course, the Chairman of the Federal Reserve spoke at great length about the marked increase in productivity.

The Humphrey-Hawkins bill had a 4-percent unemployment rate. So it was premised on the view that we could get down to that rate before we encountered an inflation problem.

Everyone said, oh, it can't be done, and then of course, we did it.

And I just want to put that into the history bank, as it were, because the recent past, at least, and earlier times, going back some number of years, have had unemployment down in the 4-percent range without an inflation problem.

So if one adopts this concept, and I'm not arguing for adopting it, I just want to address it—the non-accelerating inflation rate of unemployment—that would suggest that we could go down to 4 percent and not get an inflation problem.

I just want to add that for the record.

Now I want to address this morning the long-term unemployment situation, which is an issue I'm quite interested in because it directly relates to whether we should extend unemployment benefits again, as we have done in previous economic down-turns, and whether the increase in jobs we see this month is adequate to, in effect, put that problem on the shelf.

My own strongly held view is that it is not, and I want to try to walk through this problem with you.

We define the long-term unemployed as those unemployed for more than 26 weeks and continuing to look for work.

Is that right?

Commissioner Utgoff. That's right.

Senator Sarbanes. How many such individuals were there in October?

Commissioner Utgoff. It was about 23 percent of the unemployed, 2 million persons.

Senator Sarbanes. 2 million.

Commissioner Utgoff. A little more than 2 million.

Senator Sarbanes. How many long-term unemployed workers were there a year ago?

Commissioner Utgoff. 1.7 million.

Senator Sarbanes. So we've gone from 1.7 to 2 million unemployed.

In January of 2001, how many long-term unemployed were there?

Commissioner Utgoff. 660,000.

Senator Sarbanes. So since January of 2001, we've gone from 660,000 long-term unemployed—people out of work for more than 26 weeks and looking for work—and we're now at 2 million.

Is that correct?

Commissioner Utgoff. Yes.

Senator Sarbanes. So the number has tripled over that period of time.

Commissioner Utgoff. That's correct.

Senator Sarbanes. OK. Now, what percentage of the total unemployed who are looking for work are long-term unemployed workers?

In other words, if we take the unemployed workers, people looking for work, what percentage of that are long-term unemployed?

Commissioner Utgoff. 23 percent.

Senator Sarbanes. 23 percent. What was that percentage a year ago?

Commissioner Utgoff. 20.5 percent.

Senator Sarbanes. So it's gone from 20.5 percent to 23 percent since last year.

Is that correct?

Commissioner Utgoff. That's correct.

Senator Sarbanes. Now, historically, that's a pretty high figure, isn't it?

Commissioner Utgoff. Relatively, yes.

Senator Sarbanes. And it's been fairly high over most of this year, hasn't it?

What's the figure roughly been over the course of this year?

Commissioner Utgoff. It's been in the low 20s, 22 to 23.

Senator Sarbanes. I've been informed that the last time the figure of long-term unemployed was this high for such a continuous period—in other words, 21-, 22-, 23-percent—was 20 years ago, in 1983.

Would that be correct?

Commissioner Utgoff. Yes.

Senator Sarbanes. Now what's the median duration of unemployment for all unemployed workers?

Commissioner Utgoff. 10.3 weeks.

Senator Sarbanes. The median duration of unemployment for all unemployed workers?

Commissioner Utgoff. Is 10.3 weeks.

Senator Sarbanes. You're giving me the median or the average?

Commissioner Utgoff. I was giving you the median. The average is 19.1 weeks.

Senator Sarbanes. OK. 19.1 weeks. And how long has it been above 19 weeks, the average?

Commissioner Utgoff. Since April.

Senator Sarbanes. And am I correct that we have to go back about 20 years to find comparable figures in terms of the average duration of unemployed, for all unemployed workers?

Commissioner Utgoff. Yes.

Senator Sarbanes. Would you take issue with me if I was to say that the issue of the long-term unemployed is as serious now as it has been in 20 years?

Commissioner Utgoff. Yes. The percent of the unemployed who are out of work for 27 weeks or longer has increased and is approximately the way it was in the early 1980s.

Senator Sarbanes. Mr. Chairman, I've gone through this step by step because I think it's very important to understand these figures.

I still remain very seriously concerned about the condition of the long-term unemployed. I think we picked up some jobs and I'm pleased to see that.

The rate has dropped a tenth of a point.

Have you seen any sign that people are coming back into the labor market? We have this phenomenon, apparently, that when unemployment goes up, people drop out of the labor market.

But when they think that employment is picking up again, they come back into the labor market. As a consequence, the unemployment rate may in fact go up or not go down markedly, even though we're picking up jobs because more people are coming back in looking for jobs.

Do you see any signs of that phenomenon?

Commissioner Utgoff. The participation rate tends to weaken in a recession and then to strengthen in a recovery.

Senator Sarbanes. Right.

Commissioner Utgoff. An increase in the participation rate might put pressure on the unemployment rate.

But what you can see over the long term, as an economy recovers, that employment increases faster than the labor force. So you see increasing participation with a declining unemployment rate.

Senator Sarbanes. Right.

Commissioner Utgoff. As we saw in the late 1990s, where the participation rate increased, but the unemployment rate went down as well.

Senator Sarbanes. Yes. Do you see increases in the participation rate taking place yet?

Commissioner Utgoff. No, we do not see any increases in the participation rate.

Senator Sarbanes. Do you anticipate that there would be increases in the participation rate on the basis of past history?

Commissioner Utgoff. Yes. I would say that in a recovery period, participation rates tend to increase.

Senator Sarbanes. So that the job production you will need in order to bring down the unemployment rate would be greater in order to encompass or accommodate an increase in the participation rate.

Would that be correct?

Commissioner Utgoff. Yes.

Senator Sarbanes. Thank you very much, Mr. Chairman.

Chairman Bennett. Thank you.

Senator Sarbanes. Obviously, as we discuss extending the unemployment insurance issue, I'll be referring back to these figures.

Chairman Bennett. I understand that and I think it's a useful exercise to go through because this recovery, while it looks very strong in some of the macro numbers, still has some problems connected with it in the areas that you are describing.

Commissioner Utgoff, to continue to flog the same horse because I want to have as accurate numbers as possible, is it possible that the productivity rate is overstated, because if the payroll survey is too low—and we're talking about the gap again—but if the payroll survey is too low, that would artificially change the equation and suggest that the productivity number is too high.

Commissioner Utgoff. That's correct, if the payroll survey were incorrect.

Chairman Bennett. So if we start to get increased jobs, even though the productivity number is higher than the GDP number, wouldn't that suggest that there has to be some mathematical adjustment to the payroll number?

I'm back to the Greenspanesque example of these are all of the parts of the equation. And typically, you say if productivity is higher than GDP, you're going to lose jobs. And GDP has to be higher than productivity in order to create new jobs.

But if we're in a situation where the productivity number is higher than the GDP number, and we're still creating jobs, doesn't that say that the payroll number has to be adjusted?

Commissioner Utgoff. Well, it would also depend on the hours.

But in general, you need more GDP growth than productivity growth to create jobs.

Chairman Bennett. Yes. But I'm saying, we've had this last quarter where the GDP number was 7.2. We've got a productivity number of 8.1, which would suggest a loss of jobs. And yet, for the last 3 months, we've had an increase in jobs.

Commissioner Utgoff. But that's for——

Chairman Bennett. A very short period of time. I understand.

Commissioner Utgoff. The quarter that's covered is before the job growth began.

This is for the third quarter.

Chairman Bennett. Yes. But the increase in jobs was in August, September and October. And that's the third quarter.

Don't I have that right?

[Pause.]

It's July, August, and September. OK. Well, the July increase was the smallest increase we have. So, OK.

So we have August and September. So all right. So you're saying, third quarter, August and September, you've still got to get October's numbers. And the GDP numbers, you do have October's numbers.

Commissioner Utgoff. No. I'm saying that there was not a complete overlap between the 3 months where employment increased and the quarter from which productivity and GDP were measured.

Chairman Bennett. So there's 1-month difference.

Commissioner Utgoff. Yes.

Chairman Bennett. Yes, OK.

Senator Sarbanes. On-the-job numbers or on the productivity and GDP growth numbers?

Commissioner Utgoff. The job numbers are more current than the GDP and productivity numbers.

Senator Sarbanes. OK. Thank you.

Chairman Bennett. Yes, all right. Jobs fell in July, grew in August, September and October.

Commissioner Utgoff. Yes.

Chairman Bennett. OK. And August, September and October are the third quarter.

But you're saying the GDP numbers are lagging? Help me understand this. I thought I had it and then——

Commissioner Utgoff. July, August and September are the third quarter.

Chairman Bennett. OK. Sure. Sorry about that. All right.

Let's talk about the manufacturing sector. You said that unemployment—pardon me—employment in manufacturing has been going down historically now for half a century or so.

Commissioner Utgoff. Yes.

Chairman Bennett. Not only in the United States but throughout the developed world.

Commissioner Utgoff. It hasn't been going down consistently. But what I said was that manufacturing, as a share of total employment, has been going down steadily since the 1940s or 1950s.

Chairman Bennett. OK. But output has been going up.

Commissioner Utgoff. Yes, over that period.

Chairman Bennett. So the long-term trend is that employment as a share of the economy has been going down while output has been going up.

I think that's important to note because the employment has not been going down because the jobs have been exported. The employment has been going down in the long-term trend because productivity has been going up.

And whether it's robots or computers or simply better management, just-in-time inventories, things of that kind, we've been continually as a society squeezing costs out of manufacturing and seeing the output go up with fewer and fewer workers.

And of course, long term, that's a trend we want to encourage.

When I discuss this sometimes with student groups, I say, if you look at history, at one point in our country, when Thomas Jefferson was President, agriculture was almost the entire economic activity of the country, with manufacturing being a very small percentage.

Agriculture has continued to shrink in terms of the amount of employment in agriculture, and yet, our output in agriculture has gone up very dramatically as we become more and more efficient in the way we farm.

And agriculture now as a percentage of jobs is a relatively small part of the economy. But agriculture, as part of GDP, continues to be a very significant factor.

And I think it's a sign of the growth and maturity of an economy that the same thing that happened to agriculture is now happening to manufacturing. And it's becoming a smaller percentage of the economy, but the overall output continues to go up as we become more and more efficient.

And when people say, yes, but service jobs are flipping hamburgers at McDonald's, service jobs are writing software for Microsoft at six figures a year.

And that is part of the reason why the manufacturing sector continues to go through the changes that it does.

Do you have any reaction to that?

Commissioner Utgoff. I think your analogy between farming and manufacturing is a fair one.

Chairman Bennett. Thank you.

Mr. Ryan.

Senator Sarbanes. Do you have any figures, Commissioner, that verify how much of the loss in manufacturing jobs is because of the increase in productivity and how much of it is because manufacturing jobs have moved overseas and the products that we used to produce here are now being produced over there and imported into the country?

Do you have any analysis on that?

Commissioner Utgoff. No, we don't have any such analysis.

Senator Sarbanes. So we don't know how much is from—at least you don't know how much is from one cause as opposed to the other cause.

Commissioner Utgoff. No.

Chairman Bennett. Mr. Ryan.

Representative Ryan. I was very interested in the last dialog that the Chairman just had. I want to just go down the same path, if I could.

Third-quarter growth, July through September, gave us 7.2 percent economic growth. The productivity numbers are from when, exactly?

Commissioner Utgoff. Same time.

Representative Ryan. Same time, right?

Commissioner Utgoff. Yes.

Representative Ryan. OK. So the rule of thumb is you have to outpace the growth in productivity with GDP to get jobs back in the economy.

That's pretty much a general rule of thumb.

Is it not the case at the beginning of an economic expansion that productivity is typically over-estimated because firms are expanding and they're working more hours. The denominator and the productivity formula is usually under-valued because that's not being caught up in the payroll survey or in the other surveys?

Isn't it the case that, in the beginning of an expansion, you don't capture all of the additional jobs or the additional hours worked? And so, you actually over-estimate productivity in some cases.

Therefore, the required level of economic growth that is needed to get jobs back into the economy may indeed have to be lower than what we currently expect.

Is that not typically a trend?

Commissioner Utgoff. We have no evidence about any consistent problem in estimation.

Representative Ryan. OK. Let me ask it this way, then.

When we're measuring productivity, we do output divided by workers and the hours that they work.

Correct?

Commissioner Utgoff. Yes.

Representative Ryan. OK. And when we're seeing that jobs are increasing, when we have economic growth at a level that appears to be lower than the level of productivity, that begs a few questions, does it not, as to whether or not the required level of economic growth to get jobs back into this economy is sufficient or not?

So doesn't it beg some questions about what really is the productivity number in this economy, given that the first numbers on productivity are so high that you would think that we have to grow even faster than we are to add jobs. But when we're actually adding, according to the payroll survey, 126,000 jobs to this economy in this last month, it raises a question about whether in fact, productivity growth may not be as high.

I hope that productivity growth is high because that's very good for the long-term standard of living for this country. It's good for wages. It's good for our standard of living in so many ways.

But my basic question is, is the Greenspan theory playing itself out here that our productivity numbers may not be as high, given that we are really producing some jobs now at these rates?

Commissioner Utgoff. The productivity numbers when we publish them at first are the best job that we can do with available information.

I'm not aware of any consistent revisions that would indicate the pattern that you're talking about.

Representative Ryan. OK. And do you not see any unique behavior in these statistics that suggests that? Not a trend, but do you see anything different?

Mr. Galvin.

Mr. Galvin. Our numbers show from the productivity program, non-farm business output rose 8.8 percent in the third quarter, which is slightly higher than what GDP rose in the third quarter.

Representative Ryan. I know it's not an apples-to-apples kind of a thing. But it seems that, with the kind of growth rate that we're getting in GDP, and the productivity gains—ideally, we want high GDP and high productivity, which will get us really good jobs, and a very much higher standard of living.

And it seems that that is exactly what's occurring right now. Would that be an accurate statement?

Commissioner Utgoff. Both the economy and the productivity numbers are growing.

Representative Ryan. All right. Well, I won't go down this road any more, but I'd like to talk with you another time about getting deeper into these statistics to see what the productivity story is, in fact, and the link between GDP and productivity and what is that magic intersection of the numbers to produce jobs in this economy?

Commissioner Utgoff. We be happy to answer your questions.

Representative Ryan. Right. Thanks.

Chairman Bennett. Mr. Putnam.

Representative Putnam. Pass, Mr. Chairman.

Chairman Bennett. Senator Sessions.

Senator Sessions. Thank you. Thank you, Mr. Chairman, and it is great to be here.

Certainly, productivity I've always thought was good. And we definitely believe that increased jobs is good. So when you have them both, that's better than the alternative, I think, Mr. Ryan, for sure.

I was looking at the *Reuters* article about first-time unemployment claims, which I think is pretty stunning to me, looking at the numbers.

They report that initial claims—that is, somebody who's lost their job and made their first claim for unemployment—fell in the week of November 1st, 43,000 to 348,000, which results in, it seems to me, about a 12-percent decline in first-time claims for unemployment.

Have you discussed that earlier today?

Commissioner Utgoff. No, I haven't.

Senator Sessions. Of course, that pays off, does it not, in the weeks and months to come.

In other words, if a person making those unemployment claims, they may be on unemployment for months before they get another job.

But if you have a net kind of drop, what would you share with us about that? How do you see those numbers and the importance of them?

Commissioner Utgoff. To smooth out the series because it has variation in it, you look at the 4-week moving average of the claims.

That tends to be a leading indicator of the unemployment rate.

Senator Sessions. This is a pretty hard number, is it not? In the surveys, people can complain about it. But do you have confidence in the accuracy of these reported claims for unemployment compensation, that seems to me to be a hard number that's not much dispute about.

Commissioner Utgoff. Well, the BLS does not collect those numbers.

Senator Sessions. But they come from states.

Commissioner Utgoff. Yes.

Senator Sessions. Who maintain the unemployment compensation payments.

Commissioner Utgoff. Yes.

Senator Sessions. Well, it seems to me that those numbers are based on actual checks being paid by the states and ought to be accurate, and I've heard little dispute about it.

I think that's good news.

And I won't beat the dead horse about the good news of productivity and job increases. That means, it seems to me, at least it means that something good is happening if you can sustain a 7-percent or more productivity increase and also a nice job increase at the same time.

Jobs are critical to us, Mr. Chairman, and there are a lot of things that impact that. We think about them. If we allow energy prices to continue to soar—we have an energy bill right now that will allow some things to happen—I think we could contain the cost of energy increasing productivity.

We have some efforts to reduce litigation costs on American industry that's at least double or more than that of the rest of the world.

We've got environmental costs that we hold very dear. But if we're passing laws or regulations that impose environmental costs that are not producing benefits for the environment, then that is a burden on our productivity that makes us more difficult to compete in manufacturing around the world.

Fair trade is important. I think we've not always been effective in insisting on fairness in trade.

I'm concerned about immigration. Illegal immigrants are here by the millions and they take jobs. And the numbers I saw in the paper today, there were 2.3 million, I believe, immigrants in 2001 and half of those were reported to be illegal.

I don't know if those numbers are correct or if they're being confirmed. But that does take jobs out there.

And of course, the tax burden on private industry is significant.

I am really intensely interested in the job question. I think Americans need to be able to have a decent job and we need to ensure that we take policies that protect that. The unemployment rate is not extraordinarily high by the worst of times.

Six percent—I guess it's dropped down to six now. That's still too high. So we're concerned about it.

And Mr. Chairman, you've been doing an excellent job with these hearings. I'm so sorry I was tied up in this Medicare conference this morning. I'm trying to get some information on that bill, that I could not be with you.

We appreciate your leadership and your insight into these numbers.

I thank you again and yield my time back.

Chairman Bennett. Thank you. I'm going to turn to Senator Sarbanes again. But I've just come across some information that I think would answer a question that the Senator has raised.

This is a report that appeared in *The Wall Street Journal* on the 20th of October of this year.

"Factory Employment Is Falling Worldwide", is the headline. Study of 20 big economies finds 22 million jobs lost. Even China shows decline.

This is very interesting. Quoting from the article, it says:

Contrary to conventional U.S. beliefs, research found that American manufacturing workers weren't the biggest losers. The U.S. lost about 2 million manufacturing jobs in the 1995 to 2002 period, an 11-percent drop.

Brazil had a 20 percent decline. Japan's factory workforce shed 16 percent of its jobs, while China's was down 15 percent.

The Director of Global Economic Research at Alliance, Joseph Carson, says that the reasons for the declines are similar across the globe. Gains in technology and competitive pressure have forced factories to become more efficient, allowing them to boost output with far fewer workers.

Indeed, even as manufacturing employment declined, said Mr. Carson, global industrial output rose more than 30 percent.

And here is the chart that shows the countries that lost the most and the countries that gained the most. I am interested that the country that gained the most manufacturing employment in the period of 1995 to 2002 was Spain, with 24 percent increase, followed by Canada, with 22 percent increase.

Then the Philippines with 6.9, Taiwan, 4.7, Mexico, 1.1 percent, Malaysia, 1 percent, the Netherlands, 0.9, Australia, 0.3.

India is the median at zero.

And then the losses start: Italy, France—France lost 1.9, Germany, 5.6, Sweden, 6.9, the United States, 11.3, South Korea, 11.6, Russia, 11.7, the United Kingdom, 12.4, China, 15.3, Japan, 16.1, and Brazil, 19.9.

This is a very interesting survey that perhaps challenges conventional wisdom in both parties and in the media at large.

And I will be happy to share the hard copy with Senator Sarbanes or anyone else who is interested.

Senator Sessions. Mr. Chairman, on that point, it sounds counter-intuitive, but if we develop new technology so that 90 people can do what 100 did the previous year, I'll ask your wisdom on this. It appears what happens is that those 10 people don't do nothing. They do something productive. Whereas before, if you could do it with 90, then they really weren't productive because the work could be done for less people.

And that tends to produce growth in the economy, it appears. I've never quite understood it, but it surprises me how we continue to down-size our work force all over America and it's more productive. But the net result is our unemployment rates are not exceedingly high by historical terms.

Chairman Bennett. Well, Senator Sarbanes has pointed out that the historical number is kind of in the eye of the beholder and it has historically been all over the place.

Senator Sessions. Well, on the percentage basis of 6 percent——

Chairman Bennett. I was taught in college that 6-percent unemployment was full employment. And we've demonstrated that that is not true.

I think your point, Senator Sessions, about the people who lose their jobs don't do nothing, they go off to some place else, is very clear.

And I go back to my analogy about what happened in agriculture and what's happening in manufacturing.

Senator Sessions. That wrestles with those numbers in manufacturing. And then it transfers work to the service sector, which is sometimes bad for people, that the payment may not be as good as it had been. And that certainly has occurred.

And some things develop well for them. They do exceptionally well.

Chairman Bennett. I should, in the spirit of full disclosure, point out that there are those who dispute the numbers I've just quoted.

Particularly, and understandably, Jerry Jasinowski, President of the National Association of Manufacturers, says these numbers are not right. There are other economists that support them.

But I find it an interesting study that should be part of this conversation.

Senator Sarbanes, did you have a second round?

Senator Sarbanes. Mr. Chairman, before Senator Sessions leaves, I ought to just note that these people who he said lost their jobs and then went off and did other things, one of the other things they do is they become part of the long-term unemployed.

So it all depends on the context of your economy.

In January of 2001, we had 660,000 people, long-term unemployed, out of work for 27 weeks or more.

Now we have 2 million. We had 1.7 million a year ago. So that's one of the places they go to, regrettably, I might say.

Mr. Chairman, I just wanted to draw out of the Commissioner a few more figures before we close out here this morning.

How many people are working part-time for economic reasons?

As I understand, we have 8.8 million unemployed. Is that correct, what you would categorize as unemployed?

Commissioner Utgoff. Yes, 8.8 million people are characterized as unemployed.

Senator Sarbanes. All right. Now, how about those working part-time for economic reasons? How many of them are there?

Commissioner Utgoff. 4.8 million.

Senator Sarbanes. 4.8 million. And do you have any estimate on how many have dropped out of the labor force, or what's a reasonable number that might flow back into the labor force?

Commissioner Utgoff. We do not predict how many people would come back into the labor force.

Senator Sarbanes. Well, what's the participation rate right now?

Commissioner Utgoff. It's 66.1 percent.

Senator Sarbanes. And what was it 2 or 3 years ago?

Commissioner Utgoff. It's declined a percentage point since the peak, March of 2001.

Senator Sarbanes. And a percentage point translates into how many people?

Commissioner Utgoff. Today about 1.5 million.

Senator Sarbanes. 1.5 million. You calculate a different unemployment figure, as I recall, factoring in all of the various groups that are left out of the standard unemployment figure.

I know that part-time for economic reasons is one of those. Is there another category, other categories?

Commissioner Utgoff. There's another category of discouraged workers.

Senator Sarbanes. How many of those are there?

Commissioner Utgoff. 239,000.

Senator Sarbanes. What's the unemployment rate when you take in all categories into account?

Commissioner Utgoff. You mean all the categories that you talked about?

We have discouraged plus marginally attached workers. Then you have the unemployed for part-time.

Senator Sarbanes. Right. If you factor all of that in, what do you get as the unemployment rate?

Commissioner Utgoff. This is not seasonally adjusted, but it was 9.5 percent.

Senator Sarbanes. 9.5 percent. Has it been running above 10 percent this year, or is that generally where it's been?

Commissioner Utgoff. In the last 3 months, it's not been above 10 percent.

Senator Sarbanes. It's not been above 10 percent.

Commissioner Utgoff. No.

Senator Sarbanes. OK. Thank you very much.

Now, Mr. Chairman, I'd like to put one other question. A number of years ago, we worked hard, a number of us in the Congress, to get the BLS new quarters there down at the railroad station.

My question is, has that worked out OK? Are you appropriately situated in terms of your physical environment?

And second, is the budget you're getting from the OMB and the Congress adequate to your challenges? Or do you feel that you're really in any significant way constrained, fiscally constrained in terms of carrying out your responsibilities?

Commissioner Utgoff. First, the Postal Square building is a beautiful building and we're very happy to be there.

As you know, the BLS was scattered throughout town before that. It's much better to have everybody in the same building and the building is a very nice building.

Senator Sarbanes. OK. Good. It's close to the Congress, too. Whether that's a plus or minus, I don't know.

[Laughter.]

Commissioner Utgoff. We walk up here.

[Laughter.]

Senator Sarbanes. And what about your budget?

Commissioner Utgoff. Our budget has been adequate. We have not had any significant decreases in our budget.

Senator Sarbanes. Do you have enough resources to do what you have to do?

Commissioner Utgoff. All of us could do more things with more resources. But we are funded to do the research and data collection that we have done in the past.

Senator Sarbanes. All right. There aren't any upgrades and revisions in indices or other measuring tools used by the BLS that you think need to be really addressed that would require some sort of plus-up in your resources in order to get that done?

We're always confronted with updating the various series that you use. Where are you on that front?

Commissioner Utgoff. In every one of our surveys and on our reports, we always see things that we could do to make them better, and we have had some new initiatives funded in recent years. That's adequate to keep us doing the work that we have been doing.

Senator Sarbanes. Thank you, Mr. Chairman.

Chairman Bennett. Thank you very much. We appreciate your patience as we wrestle with these issues here on the Committee.

The hearing is adjourned.

[Whereupon, at 11:05 a.m., the hearing was adjourned.]

Submissions for the Record

PREPARED STATEMENT OF SENATOR ROBERT F. BENNETT, CHAIRMAN

Good morning and welcome to today's employment hearing. Like virtually every other economic statistic reported in the past month, the employment numbers released today are definitely good news for the American worker. No matter how you cut it, the economy is adding new jobs at a rapid pace and will likely continue to do so for the foreseeable future.

The official payroll statistics indicate that the U.S. economy created 126,000 new jobs in the month of October, the third month in it row that payroll employment rose. The revised numbers now indicate that 125,000 jobs were added in September. The unemployment rate declined to six percent.

The household survey reported that employment increased by an astounding 441,000 in September. According to the household survey, our economy has now essentially replaced all of the jobs lost during the 2001 recession and the number of jobs is now at an all-time high.

I believe that today's employment numbers, along with the steep drop in new jobless claims and the large increases in productivity and output, indicate quite clearly that the U.S. economy is returning to a period of strong growth.

For instance, the Bureau of Labor Statistics reported yesterday that productivity grew at an annual rate of 8.1 percent in the third quarter of 2003. Some of my colleagues tend to gnash their teeth at the high productivity growth of late, lamenting that firms are learning how to do without workers. However, our experience in the last 30 years tells us that periods of rapid increases in the productive capacity of our economy are almost always accompanied by low unemployment. Increasing our standard of living and employment at the same time requires healthy productivity growth.

Today's data remind us again of the ongoing divergence between total employment as measured by the two surveys conducted by the BLS. While the payroll survey reports a decline of roughly 750,000 payroll jobs since the end of the recession in November 2001, the household survey still reports nearly one-and-a-half million newly employed workers since then. I encourage the BLS to continue researching this discrepancy and welcome any additional information you might provide us on this topic.

It is too easy for the party in power to take the blame when the economy slows, and for that reason it is all too tempting to try to take all the credit when things turn around. In reality, government holds little sway over the business cycle, despite what some may think or desire. Our economy floundered in the middle of the year 2000 in large part due to a hangover from the high-tech boom, likely abetted by a rise in interest rates. The stagnant economy was prolonged by the 9/11 disaster and the resultant uncertainties in the Middle East, high energy prices, and the various scandals in the financial markets. That our economy steadily expanded in the face of so many potentially calamitous events in succession is a testament to the ability and dedication of the American worker as well as to our economic system.

That is not to say that government cannot spur the economy. The Bush tax cuts enacted in 2001 undoubtedly softened the blow of the events that befell the economy and served to make the recession shallower than it otherwise would have been, and the tax cuts passed this year provided some needed impetus at the right time.

Dr. Utgoff, it is always a pleasure having you visit us, but we especially enjoy it when you come bearing such good news. Welcome to the Joint Economic Committee, and we look forward to hearing your testimony.

PREPARED STATEMENT OF REPRESENTATIVE JIM SAXTON, VICE CHAIRMAN

It is a pleasure to join in welcoming Commissioner Utgoff once again before the Joint Economic Committee.

Today's employment report is good news for American workers. Payroll employment increased 126,000 in October, while the September increase was revised upward to 125,000. October marks the third consecutive increase in payroll employment after accounting for the revised increase in August. The household measure of employment increased by 441,000 in October, while the unemployment rate slipped one-tenth of a percentage point to 6.0 percent. The improvement in the employment data reported today reflects the progress made in emerging from the economic slowdown of recent years.

The economic weakness that began with the bursting of the stock market and technology bubbles early in 2000, followed by recession, terrorist attacks, and wars, now appears to be over. Although the economy has shown great resilience in recent years, the unusual combination of shocks, and the investment-led nature of the economic slowdown, made the timing of the recent economic acceleration highly uncertain.

Consecutive declines in business investment had undermined economic growth since the fourth quarter of 2000. However, data from recent quarters show that investment and economic growth is on the rebound. The provision of tax relief in 2003, including the boosting of write-offs for investment, is widely credited for the recent strength of the economy. The 7.2 percent growth of GDP in the third quarter of 2003 indicates that this policy of tax relief has worked as intended. Recent increases in both ISM indexes, durable goods orders, and construction show that the economic expansion is broadly based.

As has been noted previously, the best prospect for job growth is created by a strong economic expansion. As the economy continues to grow as predicted by the Blue Chip Consensus forecast, it is reasonable to expect sizable employment gains into the future. Several quarters of healthy economic growth through next year, as the Consensus forecast suggests, should bring sustained and significant growth in employment and opportunity for American workers.

PREPARED STATEMENT OF REPRESENTATIVE PETE STARK, RANKING MINORITY MEMBER

Thank you Chairman Bennett for holding this hearing. I would like to welcome Commissioner Utgoff and thank her for testifying here today.

The Bureau of Labor Statistics' October employment situation continued to paint a disappointing labor market picture. The unemployment rate was essentially unchanged at 6.0 percent. And by any meaningful measure, the jobless recovery drags on. When we need a few hundred thousand jobs a month, only 126,000 payroll jobs were added in October. Nearly 9 million Americans remain unemployed—with over 2 million out of work for 6 months or more.

This level of job creation, while better than expected, is probably not strong enough to keep up with the growing labor force, let alone erase the enormous jobs deficit any time soon. With this rate of job growth, it will still take another 19 months to climb out of the jobs hole we're in. The Democratic staff of the JEC has estimated that, because the labor force is growing, somewhem between 135,000 and 170,000 jobs per month need to be added to payrolls just to keep the unemployment rate from rising—that's only to maintain the status quo, not reduce unemployment.

Treasury Secretary John Snow recently predicted that about 2 million payroll jobs, or roughly 200,000 jobs per month, would be created over the next 12 months. This represents a substantial scaling back of expectations from what the Administration was predicting earlier this year, and it implicitly concedes that President Bush's record on job creation is going to be the worst of any President since Herbert Hoover.

In October, President Bush tied his father's dubious record as payroll jobs failed to return to their pre-recession level 31 months after the recession began (Chart 1). In fact, this is the only administration since Hoover's with a decline in total payroll jobs (Chart 2). We are in a deep hole in terms of job creation, and one that is far worse than in past business cycles (Chart 3). President Bush is presiding over the most persistent jobs slump since the 1930s, and he will smash—by a wide margin—the modern (post World War II) record for job creation futility currently held by his father.

Indeed, if Secretary Snow's estimate of 200,000 jobs per month proves to be on target, the non-farm payroll deficit of 2.4 million jobs will not be erased until October 2004.

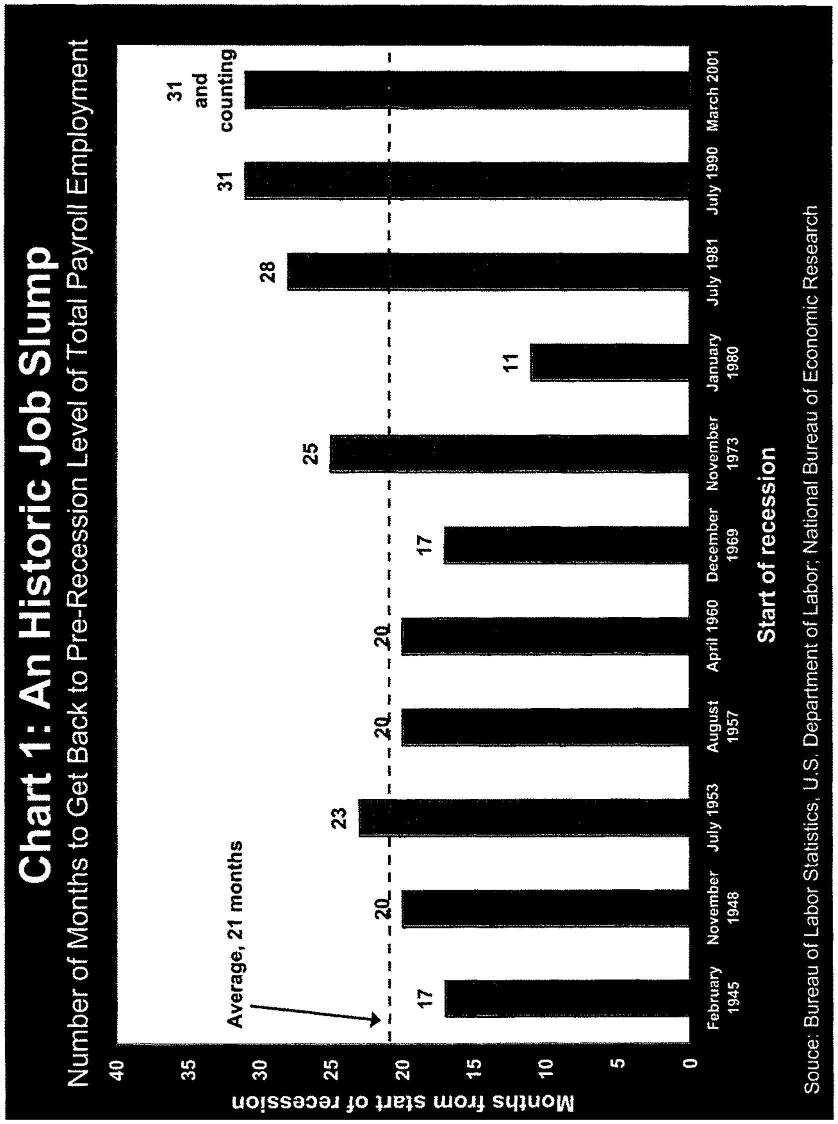


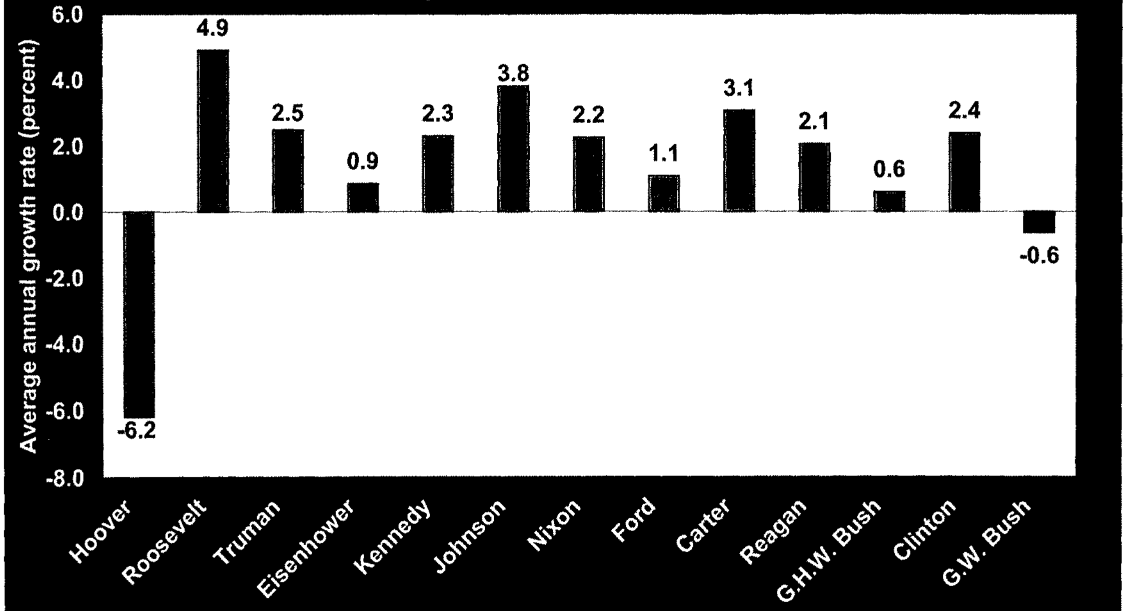
Chart 1: An Historic Job Slump

Number of Months to Get Back to Pre-Recession Level of Total Payroll Employment

Souce: Bureau of Labor Statistics, U.S. Department of Labor; National Bureau of Economic Research

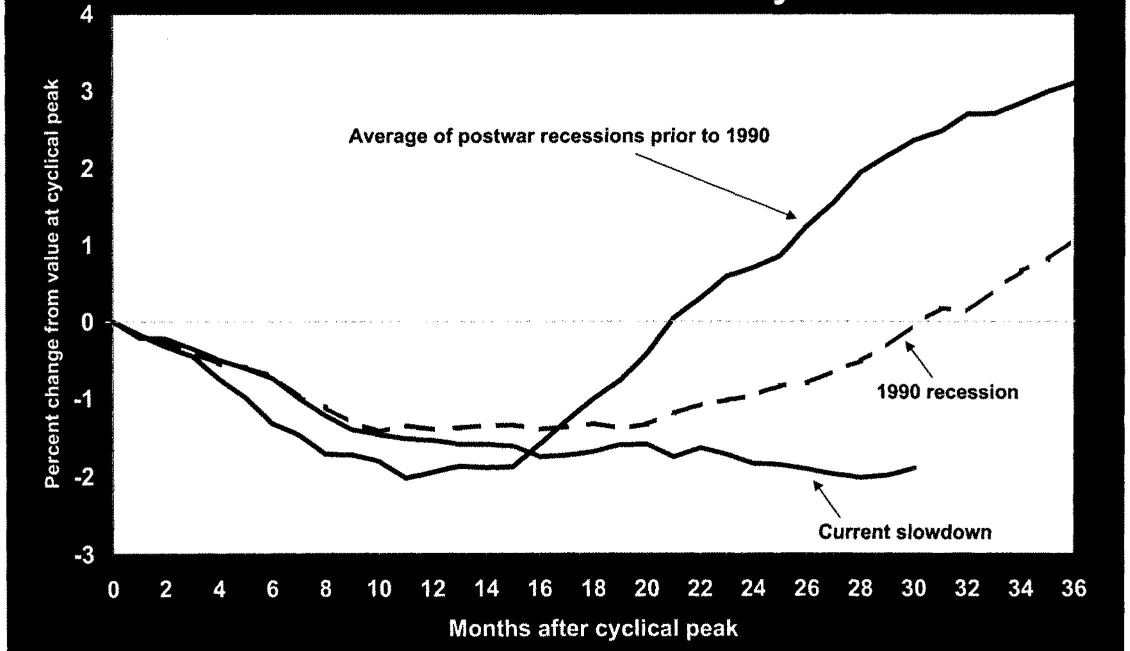
Chart 2: Bush Economic Record
Only Administration in 70 Years with Decline in Total Payroll Jobs

Change in Private Nonfarm Employment



Source: Bureau of Labor Statistics, U.S. Department of Labor.

Chart 3: Decline in Total Nonfarm Payrolls in the Current and Previous Cycles



Sources: JEC Democratic Staff calculations using data from the U.S. Department of Labor and the National Bureau of Economic Research.

PREPARED STATEMENT OF KATHLEEN P. UTGOFF, COMMISSIONER, BUREAU OF LABOR STATISTICS

Mr. Chairman and Members of the Committee, I appreciate this opportunity to comment on the labor market data we released this morning.

Non-farm payroll employment rose by 126,000 in October, following increases in August and September that totaled 160,000, after revision. I would note that the payroll survey estimates for the prior 2 months are always subject to revision as we receive reports from additional survey respondents. The increase in payroll employment over the last 3 months contrasts with declines in the February-July period that averaged 85,000 per month. Several service industries added jobs in October. Manufacturing employment continued to decline, although at slower pace than earlier in the year. The unemployment rate, at 6.0 percent, was essentially unchanged over the month.

Professional and business services added 43,000 jobs in October, with gains in many of its component industries. Employment in temporary help services continued to rise and is up by 150,000 since April.

Employment in private educational services grew by 23,000 in October. Job gains over the last 3 months have more than offset declines that occurred in June and July. Over the year, employment in private education expanded by 56,000. Health care and social assistance added 34,000 jobs, with noteworthy gains in doctors, offices and in child day care services.

In the leisure and hospitality sector, employment in food services and drinking places rose by 23,000. Job growth in food services has picked up in recent months; since July, employment has increased by 57,000. Within retail trade, food stores added 13,000 jobs in October. Employment in food stores was boosted by the hiring of additional workers in anticipation of strikes.

Employment in construction was little changed over the month, but the industry has added 147,000 jobs since its most recent trough in February. In October, employment in credit intermediation decreased by 10,000, reflecting the decline in mortgage refinancing activity.

Manufacturing job losses continued in October (-24,000). Declines in the sector have moderated in recent months, particularly in durable goods manufacturing. In October, both the factory workweek and overtime were unchanged.

After posting a small increase in September, employment in air transportation fell in October. Since reaching its most recent peak in March 2001, the industry has lost more than 20 percent of its jobs.

Average hourly earnings for production or non-supervisory workers, at $15.46, were essentially unchanged in October. Over the year, average hourly earnings rose by 2.4 percent.

Looking at some of the measures from our survey of households, the October unemployment rate of 6.0 percent was about the same as in September. The jobless rates for all the major worker groups showed little change over the month. About 8.8 million persons were unemployed, of whom 2.0 million had been without a job for 27 weeks or longer. Employment as measured by our household survey rose over the month.

In summary, non-farm payroll employment rose by 126,000 in October. Since July, employment is up by 286,000. The unemployment rate, at 6.0 percent in October, was about unchanged.

My colleagues and I would be glad to answer any questions you might have.

News United States Department of Labor

Bureau of Labor Statistics Washington, D.C. 20212

Technical information:
Household data: (202) 691-6378 http://www.bls.gov/cps/ USDL 03-675

Establishment data: 691-6555 http://www.bls.gov/ces/
Media contact: 691-5902

Transmission of material in this release is embargoed until 8:30 A.M. (EST), Friday, November 7, 2003.

THE EMPLOYMENT SITUATION: OCTOBER 2003

Employment rose in October, and the unemployment rate, at 6.0 percent, was essentially unchanged, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Nonfarm payroll employment rose by 126,000 in October, following a similar increase (as revised) in September. Job gains occurred in several service industries in October. Manufacturing employment continued to decline, but the rate of job loss has moderated in recent months.

Chart 1. Unemployment rate, seasonally adjusted, November 2000 - October 2003

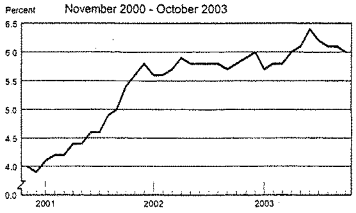
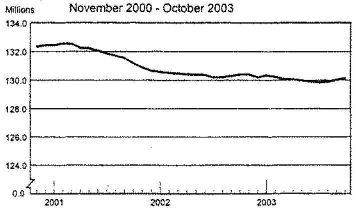


Chart 2. Nonfarm payroll employment, seasonally adjusted, November 2000 - October 2003



Unemployment (Household Survey Data)

The unemployment rate, 6.0 percent, and the number of unemployed persons, 8.8 million, were essentially unchanged in October. Unemployment rates for the major worker groups—adult men (5.6 percent), adult women (5.2 percent), teenagers (17.1 percent), whites (5.1 percent), blacks (11.5 percent), and Hispanics or Latinos (7.2 percent)—also were little changed. The unemployment rate for Asians was 6.1 percent, not seasonally adjusted. (See tables A-1, A-2, and A-3.)

In October, 2.0 million unemployed persons had been looking for work for 27 weeks or longer, about the same level as in September. They represented 23.0 percent of the total unemployed. (See table A-9.)

Total Employment and the Labor Force (Household Survey Data)

Total employment increased by 441,000 in October to 138.0 million, seasonally adjusted. The employment-population ratio edged up to 62.2 percent. The civilian labor force was little changed at 146.8 million, while the labor force participation rate remained at 66.1 percent. (See table A-1.)

Table A. Major indicators of labor market activity, seasonally adjusted

(Numbers in thousands)

Category	Quarterly averages		Monthly data			Sept.-Oct. change
	2003		2003			
	II	III	Aug.	Sept.	Oct.	
HOUSEHOLD DATA	Labor force status					
Civilian labor force	146,685	146,539	146,530	146,545	146,793	248
Employment	137,638	137,559	137,625	137,573	138,014	441
Unemployment	9,047	8,980	8,905	8,973	8,779	-194
Not in labor force	74,090	74,974	74,977	75,234	75,246	12
	Unemployment rates					
All workers	6.2	6.1	6.1	6.1	6.0	-0.1
Adult men	5.9	5.8	5.8	5.7	5.6	-.1
Adult women	5.1	5.2	5.2	5.3	5.2	-.1
Teenagers	18.6	17.5	16.6	17.5	17.1	-.4
White	5.4	5.4	5.4	5.3	5.1	-.2
Black or African American	11.2	11.1	10.9	11.2	11.5	.3
Hispanic or Latino ethnicity	8.0	7.8	7.8	7.5	7.2	-.3
ESTABLISHMENT DATA	Employment					
Nonfarm employment	129,984	p129,911	129,881	p130,006	p130,132	p126
Goods-producing [1]	22,093	p21,984	21,982	p21,969	p21,952	p-17
Construction	6,782	p6,823	6,825	p6,841	p6,847	p6
Manufacturing	14,744	p14,596	14,592	p14,564	p14,540	p-24
Service-providing [1]	107,891	p107,927	107,899	p108,037	p108,180	p143
Retail trade	14,981	p14,973	14,975	p14,985	p15,015	p30
Professional and business services	15,999	p16,080	16,054	p16,124	p16,167	p43
Education and health services	16,498	p16,532	16,541	p16,569	p16,625	p56
Leisure and hospitality	12,036	p12,053	12,051	p12,058	p12,081	p23
Government	21,495	p21,469	21,470	p21,478	p21,488	p10
	Hours of work [2]					
Total private	33.7	p33.7	33.7	p33.7	p33.8	p0.1
Manufacturing	40.2	p40.3	40.2	p40.5	p40.5	p.0
Overtime	4.0	p4.1	4.1	p4.2	p4.2	p.0
	Indexes of aggregate weekly hours (2002=100) [2]					
Total private	98.7	p98.6	98.7	p98.7	p99.1	p0.4
	Earnings [2]					
Average hourly earnings, total private	$15.34	p$15.44	$15.45	p$15.45	p$15.46	p$0.01
Average weekly earnings, total private	517.07	p519.93	520.67	p520.67	p522.55	p1.88

[1] Includes other industries, not shown separately.

[2] Data relate to private production or nonsupervisory workers.

p=preliminary.

Persons Not in the Labor Force (Household Survey Data)

In October, 1.6 million persons were marginally attached to the labor force, 170,000 more than a year earlier. (Data are not seasonally adjusted.) These individuals wanted and were available to work and had looked for a job sometime in the prior 12 months. They were not counted as unemployed, however, because they did not actively search for work in the 4 weeks preceding the survey. Of the 1.6 million, 462,000 were discouraged workers—persons who were not currently looking for work specifically because they believed no jobs were available for them. The number of discouraged workers was up by 103,000 from October 2002. (See table A-13.)

Industry Payroll Employment (Establishment Survey Data)

Total nonfarm payroll employment rose by 126,000 in October to 130.1 million, seasonally adjusted. This followed increases totaling 160,000 in August and September (as revised). During the February-July period, payroll employment had decreased by an average of 85,000 per month. (See table B-1.)

Professional and business services added 43,000 jobs in October, following an increase of 70,000 in September. Professional and technical services contributed over half of the job gain (24,000) in October, with its management and technical consulting services component adding 7,000 jobs. Within administrative and support services, employment in temporary help services continued to trend up in October. Since April, temporary help has added 150,000 jobs.

Employment in health care and social assistance rose by 34,000 over the month and by 255,000 over the year. In October, ambulatory health care services added 18,000 jobs, with about half the gain in offices of physicians. Social assistance added 8,000 jobs in October, largely in child day care services. Employment in private educational services grew by 23,000, seasonally adjusted. Job gains over the last 3 months have more than offset declines that occurred in June and July. Over the year, employment in private education grew by 56,000.

Within retail trade, employment in food stores rose by 13,000 in October, reflecting the hiring of additional workers in anticipation of strikes. Since April 2000, however, employment in food stores has trended down.

Within the leisure and hospitality sector, food services and drinking places added 23,000 jobs in October, following a gain of 20,000 in September. Restaurant employment has increased by 113,000 over the year.

Employment in construction was little changed in October. Since February, the industry has added 147,000 jobs. In the financial sector, employment in credit intermediation, which includes mortgage banking, fell by 10,000, reflecting the decline in mortgage refinancing activity.

Manufacturing employment decreased by 24,000 in October, with small losses distributed throughout most of the sector. Factory job losses in September and October averaged 26,000, well below the 53,000 average for the prior 12 months.

After a small increase in September, employment in air transportation was down over the month. Since reaching its most recent peak in March 2001, the industry has lost 138,000 jobs.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls increased by 0.1 hour over the month to 33.8 hours, seasonally adjusted. The manufacturing workweek and manufacturing overtime were unchanged from September, at 40.5 hours and 4.2 hours, respectively. (See table B-2.)

The index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls rose by 0.4 percent to 99.1 in October (2002=100). The manufacturing index fell by 0.2 percent over the month to 94.3. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls increased by 1 cent over the month to $15.46, seasonally adjusted. Average weekly earnings rose by 0.4 percent in October to $522.55. Over the year, both average hourly and weekly earnings increased by 2.4 percent. (See table B-3.)

The Employment Situation for November 2003 is scheduled to be released on Friday, December 5, at 8:30 A.M. (EST).

Change in Seasonal Adjustment Procedures for the Household Survey

Effective with the release of December 2003 estimates in January 2004, BLS will convert to the use of concurrent seasonal adjustment to produce seasonally adjusted Current Population Survey (CPS) labor force estimates. Concurrent seasonal adjustment uses all available monthly estimates, including those for the current month, in developing seasonal factors. Currently, seasonal factors for the CPS data are projected twice a year. With the introduction of concurrent seasonal adjustment, BLS will no longer publish seasonal factors for CPS data. BLS introduced the use of concurrent seasonal adjustment for the nonfarm payroll data in June 2003 with the release of data for May 2003.

Benchmark Revisions to the Payroll Survey

BLS will publish nonfarm payroll data revised to the March 2003 benchmark on February 6, 2004, with the release of data for January 2004. Previously, the revised data were published in June of each year; earlier receipt and tabulation of the benchmark source data now make it feasible to accelerate the publication date to February.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics survey (establishment survey). The household survey provides the information on the labor force, employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households conducted by the U.S. Census Bureau for the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonfarm payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes about 160,000 businesses and government agencies covering approximately 400,000 individual worksites. The active sample includes about one-third of all nonfarm payroll workers. The sample is drawn from a sampling frame of unemployment insurance tax accounts.

For both surveys, the data for a given month relate to a particular week or pay period. In the household survey, the reference week is generally the calendar week that contains the 12th day of the month. In the establishment survey, the reference period is the pay period including the 12th, which may or may not correspond directly to the calendar week.

Coverage, definitions, and differences between surveys

Household survey. The sample is selected to reflect the entire civilian noninstitutional population. Based on responses to a series of questions on work and job search activities, each person 16 years and over in a sample household is classified as employed, unemployed, or not in the labor force.

People are classified as *employed* if they did any work at all as paid employees during the reference week; worked in their own business, profession, or on their own farm; or worked without pay at least 15 hours in a family business or farm. People are also counted as employed if they were temporarily absent from their jobs because of illness, bad weather, vacation, labor-management disputes, or personal reasons.

People are classified as *unemployed* if they meet all of the following criteria: They had no employment during the reference week; they were available for work at that time; and they made specific efforts to find employment sometime during the 4-week period ending with the reference week. Persons laid off from a job and expecting recall need not be looking for work to be counted as unemployed. The unemployment data derived from the household survey in no way depend upon the eligibility for or receipt of unemployment insurance benefits.

The *civilian labor force* is the sum of employed and unemployed persons. Those not classified as employed or unemployed are *not in the labor force*. The *unemployment rate* is the number unemployed as a percent of the labor force. The *labor force participation rate* is the labor force as a percent of the population, and the *employment-population ratio* is the employed as a percent of the population.

Establishment survey. The sample establishments are drawn from private nonfarm businesses such as factories, offices, and stores, as well as Federal, State, and local government entities. *Employees on nonfarm payrolls* are those who received pay for any part of the reference pay period, including persons on paid leave. Persons are counted in each job they hold. *Hours and earnings* data are for private businesses and relate only to production workers in the goods-producing sector and nonsupervisory workers in the service-providing sector. Industries are classified on the basis of their principal activity in accordance with the 2002 version of the North American Industry Classification System.

Differences in employment estimates. The numerous conceptual and methodological differences between the household and establishment surveys result in important distinctions in the employment estimates derived from the surveys. Among these are:

- The household survey includes agricultural workers, the self-employed, unpaid family workers, and private household workers among the employed. These groups are excluded from the establishment survey.
- The household survey includes people on unpaid leave among the employed. The establishment survey does not.
- The household survey is limited to workers 16 years of age and older. The establishment survey is not limited by age.
- The household survey has no duplication of individuals, because individuals are counted only once, even if they hold more than one job. In the establishment survey, employees working at more than one job and thus appearing on more than one payroll would be counted separately for each appearance.

Seasonal adjustment

Over the course of a year, the size of the nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. The effect of such seasonal variation can be very large; seasonal fluctuations may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or increases in the participation of women in the labor force, easier to spot. For example, the large number of youth entering the labor force each June is likely to obscure any other changes that have taken place relative to May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

In both the household and establishment surveys, most seasonally adjusted series are independently adjusted. However, the adjusted series for many major estimates, such as total payroll employment, employment in most supersectors, total employment, and unemployment are computed by aggregating independently adjusted component series. For example, total unemployment is derived by summing the adjusted series for four major age-sex components; this differs from the unemployment estimate that would be obtained by directly adjusting the total or by combining the duration, reasons, or more detailed age categories.

The numerical factors used to make the seasonal adjustments for the household survey are recalculated twice a year; the factors are calculated for the January-June period and again for the July-December period. For the establishment survey, a concurrent seasonal adjustment methodology is used in which new seasonal factors are calculated each month for the three most recent monthly estimates, using all relevant data, up to and including the data for the current month. In both surveys, revisions to historical data are made once a year.

Reliability of the estimates

Statistics based on the household and establishment surveys are subject to both sampling and nonsampling error. When a sample rather than the entire population is surveyed, there is a chance that the sample estimates may differ from the "true" population values they represent. The exact difference, or *sampling error*, varies depending on the particular sample selected, and this variability is measured by the standard error of the estimate. There is about a 90-percent chance, or level of confidence, that an estimate based on a sample will differ by no more than 1.6 standard errors from the "true" population value because of sampling error. BLS analyses are generally conducted at the 90-percent level of confidence.

For example, the confidence interval for the monthly change in total employment from the household survey is on the order of plus or minus 290,000. Suppose the estimate of total employment increases by 100,000 from one month to the next. The 90-percent confidence interval on the monthly change would range from -190,000 to 390,000 (100,000 +/- 290,000). These figures do not mean that the sample results are off by these magnitudes, but rather that there is about a 90-percent chance that the "true" over-the-month change lies within this interval. Since this range includes values of less than zero, we could not say with confidence that employment had, in fact, increased. If, however, the reported employment rise was half a million, then all of the values within the 90-percent confidence interval would be greater than zero. In this case, it is likely (at least a 90-percent chance) that an employment rise had, in fact, occurred. At an unemployment rate of around 4 percent, the 90-percent confidence interval for the monthly change in unemployment is about +/- 270,000, and for the monthly change in the unemployment rate it is about +/- .19 percentage point.

In general, estimates involving many individuals or establishments have lower standard errors (relative to the size of the estimate) than estimates which are based on a small number of observations. The precision of estimates is also improved when the data are cumulated over time such as for quarterly and annual averages. The seasonal adjustment process can also improve the stability of the monthly estimates.

The household and establishment surveys are also affected by *nonsampling error*. Nonsampling errors can occur for many reasons, including the failure to sample a segment of the population, inability to obtain information for all respondents in the sample, inability or unwillingness of respondents to provide correct information on a timely basis, mistakes made by respondents, and errors made in the collection or processing of the data.

For example, in the establishment survey, estimates for the most recent 2 months are based on substantially incomplete returns; for this reason, these estimates are labeled preliminary in the tables. It is only after two successive revisions to a monthly estimate, when nearly all sample reports have been received, that the estimate is considered final.

Another major source of nonsampling error in the establishment survey is the inability to capture, on a timely basis, employment generated by new firms. To correct for this systematic underestimation of employment growth, an estimation procedure with two components is used to account for business births. The first component uses business deaths to impute employment for business births. This is incorporated into the sample-based link relative estimate procedure by simply not reflecting sample units going out of business, but imputing to them the same trend as the other firms in the sample. The second component is an ARIMA time series model designed to estimate the residual net birth/death employment not accounted for by the imputation. The historical time series used to create and test the ARIMA model was derived from the unemployment insurance universe micro-level database, and reflects the actual residual net of births and deaths over the past five years.

The sample-based estimates from the establishment survey are adjusted once a year (on a lagged basis) to universe counts of payroll employment obtained from administrative records of the unemployment insurance program. The difference between the March sample-based employment estimates and the March universe counts is known as a benchmark revision, and serves as a rough proxy for total survey error. The new benchmarks also incorporate changes in the classification of industries. Over the past decade, the benchmark revision for total nonfarm employment has averaged 0.3 percent, ranging from zero to 0.7 percent.

Additional statistics and other information

More comprehensive statistics are contained in *Employment and Earnings,* published each month by BLS. It is available for $27.00 per issue or $53.00 per year from the U.S. Government Printing Office, Washington, DC 20402. All orders must be prepaid by sending a check or money order payable to the Superintendent of Documents, or by charging to Mastercard or Visa.

Employment and Earnings also provides measures of sampling error for the household and establishment survey data published in this release. For unemployment and other labor force categories, these measures appear in tables 1-B through 1-D of its "Explanatory Notes." For the establishment survey data, the sampling error measures and the actual size of revisions due to benchmark adjustments appear in tables 2-B through 2-F of *Employment and Earnings.*

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone: 1-800-877-8339.

Table A-1. Employment status of the civilian population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted [1]					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
TOTAL									
Civilian noninstitutional population	218,340	221,779	222,039	218,340	221,014	221,252	221,507	221,779	222,039
Civilian labor force	145,320	146,166	146,787	145,393	147,096	146,540	146,530	146,545	146,793
Participation rate	66.6	65.9	66.1	66.6	66.6	66.2	66.2	66.1	66.1
Employed	137,551	137,731	138,619	136,988	137,738	137,478	137,625	137,573	138,014
Employment-population ratio	63.0	62.1	62.4	62.7	62.3	62.1	62.1	62.0	62.2
Unemployed	7,769	8,436	8,169	8,405	9,358	9,062	8,905	8,973	8,779
Unemployment rate	5.3	5.8	5.6	5.8	6.4	6.2	6.1	6.1	6.0
Not in labor force	73,019	75,612	75,252	72,947	73,918	74,712	74,977	75,234	75,246
Persons who currently want a job	4,192	4,637	4,561	4,542	4,668	4,921	4,840	4,837	4,941
Men, 16 years and over									
Civilian noninstitutional population	104,985	106,744	106,879	104,985	106,362	106,475	106,604	106,744	106,879
Civilian labor force	77,641	78,216	78,392	77,727	78,372	78,182	78,160	78,485	78,431
Participation rate	74.0	73.3	73.3	74.0	73.7	73.4	73.3	73.5	73.4
Employed	73,513	73,715	73,979	73,151	73,071	73,043	73,195	73,475	73,569
Employment-population ratio	70.0	69.1	69.2	69.7	68.7	68.6	68.7	68.8	68.8
Unemployed	4,128	4,501	4,413	4,575	5,301	5,139	4,965	5,010	4,863
Unemployment rate	5.3	5.8	5.6	5.9	6.8	6.6	6.4	6.4	6.2
Not in labor force	27,344	28,528	28,487	27,258	27,990	28,293	28,443	28,259	28,447
Men, 20 years and over									
Civilian noninstitutional population	96,860	98,568	98,696	96,860	98,196	98,304	98,434	98,568	98,696
Civilian labor force	73,950	74,773	74,955	73,883	74,692	74,581	74,561	74,905	74,860
Participation rate	76.3	75.9	75.9	76.3	76.1	75.9	75.7	76.0	75.8
Employed	70,372	70,923	71,141	69,921	70,130	70,193	70,203	70,610	70,665
Employment-population ratio	72.7	72.0	72.1	72.2	71.4	71.4	71.3	71.6	71.6
Unemployed	3,579	3,850	3,815	3,962	4,562	4,388	4,357	4,295	4,195
Unemployment rate	4.8	5.1	5.1	5.4	6.1	5.9	5.8	5.7	5.6
Not in labor force	22,910	23,794	23,741	22,977	23,504	23,724	23,873	23,662	23,837
Women, 16 years and over									
Civilian noninstitutional population	113,355	115,035	115,160	113,355	114,653	114,778	114,903	115,035	115,160
Civilian labor force	67,679	67,951	68,396	67,667	68,724	68,359	68,370	68,060	68,362
Participation rate	59.7	59.1	59.4	59.7	59.9	59.6	59.5	59.2	59.4
Employed	64,039	64,016	64,640	63,837	64,667	64,435	64,430	64,098	64,446
Employment-population ratio	56.5	55.6	56.1	56.3	56.4	56.1	56.1	55.7	56.0
Unemployed	3,641	3,935	3,756	3,829	4,057	3,923	3,940	3,962	3,916
Unemployment rate	5.4	5.8	5.5	5.7	5.9	5.7	5.8	5.8	5.7
Not in labor force	45,676	47,084	46,765	45,689	45,928	46,419	46,533	46,975	46,798
Women, 20 years and over									
Civilian noninstitutional population	105,509	107,080	107,197	105,509	106,724	106,839	106,957	107,080	107,197
Civilian labor force	64,084	64,627	65,022	63,975	65,148	64,819	64,831	64,554	64,904
Participation rate	60.7	60.4	60.7	60.6	61.0	60.7	60.6	60.3	60.5
Employed	60,947	61,193	61,777	60,668	61,753	61,462	61,470	61,120	61,519
Employment-population ratio	57.8	57.1	57.6	57.5	57.9	57.5	57.5	57.1	57.4
Unemployed	3,137	3,434	3,245	3,308	3,395	3,357	3,361	3,434	3,384
Unemployment rate	4.9	5.3	5.0	5.2	5.2	5.2	5.2	5.3	5.2
Not in labor force	41,425	42,453	42,176	41,533	41,576	42,020	42,126	42,526	42,294
Both sexes, 16 to 19 years									
Civilian noninstitutional population	15,971	16,131	16,145	15,971	16,095	16,109	16,116	16,131	16,145
Civilian labor force	7,286	6,766	6,810	7,535	7,256	7,140	7,139	7,086	7,030
Participation rate	45.6	41.9	42.2	47.2	45.1	44.3	44.3	43.9	43.5
Employed	6,232	5,615	5,701	6,400	5,855	5,823	5,952	5,842	5,830
Employment-population ratio	39.0	34.8	35.3	40.1	36.4	36.1	36.9	36.2	36.1
Unemployed	1,053	1,151	1,109	1,135	1,401	1,317	1,187	1,243	1,200
Unemployment rate	14.5	17.0	16.3	15.1	19.3	18.4	16.6	17.5	17.1
Not in labor force	8,685	9,365	9,335	8,436	8,839	8,969	8,977	9,046	9,115

[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

NOTE: Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-2. Employment status of the civilian population by race, sex, and age

(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted [1]					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
WHITE [2]									
Civilian noninstitutional population	180,306	181,696	181,871	180,306	181,184	181,341	181,512	181,696	181,871
Civilian labor force	120,364	120,088	120,668	120,479	120,881	120,623	120,669	120,307	120,722
Participation rate	66.8	66.1	66.3	66.8	66.7	66.5	66.5	66.2	66.4
Employed	114,691	114,093	114,996	114,294	114,203	114,044	114,141	113,934	114,567
Employment-population ratio	63.6	62.8	63.2	63.4	63.0	62.9	62.9	62.7	63.0
Unemployed	5,673	5,994	5,672	6,184	6,678	6,580	6,528	6,373	6,155
Unemployment rate	4.7	5.0	4.7	5.1	5.5	5.5	5.4	5.3	5.1
Not in labor force	59,943	61,608	61,203	59,828	60,303	60,717	60,843	61,389	61,149
Men, 20 years and over									
Civilian labor force	62,240	62,531	62,714	62,243	62,447	62,526	62,532	62,496	62,695
Participation rate	76.6	76.2	76.3	76.6	76.3	76.4	76.3	76.2	76.3
Employed	59,576	59,773	59,995	59,246	59,064	59,167	59,190	59,407	59,664
Employment-population ratio	73.4	72.8	73.0	73.0	72.2	72.3	72.2	72.4	72.6
Unemployed	2,664	2,759	2,719	2,997	3,384	3,359	3,342	3,088	3,031
Unemployment rate	4.3	4.4	4.3	4.8	5.4	5.4	5.3	4.9	4.8
Women, 20 years and over									
Civilian labor force	52,014	51,921	52,288	51,909	52,400	52,146	52,138	51,909	52,175
Participation rate	60.1	59.6	60.0	60.0	60.3	60.0	59.9	59.6	59.9
Employed	49,822	49,533	50,095	49,601	50,104	49,867	49,853	49,521	49,879
Employment-population ratio	57.6	56.9	57.5	57.3	57.7	57.4	57.3	56.9	57.2
Unemployed	2,192	2,388	2,193	2,308	2,297	2,279	2,285	2,388	2,296
Unemployment rate	4.2	4.6	4.2	4.4	4.4	4.4	4.4	4.6	4.4
Both sexes, 16 to 19 years									
Civilian labor force	6,110	5,636	5,667	6,328	6,034	5,952	5,998	5,902	5,852
Participation rate	48.5	44.9	45.1	50.2	48.2	47.5	47.8	47.0	46.6
Employed	5,293	4,788	4,906	5,448	5,036	5,010	5,098	5,006	5,024
Employment-population ratio	42.0	38.2	39.1	43.3	40.2	40.0	40.7	39.9	40.0
Unemployed	816	848	761	880	998	942	901	896	828
Unemployment rate	13.4	15.0	13.4	13.9	16.5	15.8	15.0	15.2	14.2
BLACK OR AFRICAN AMERICAN [2]									
Civilian noninstitutional population	25,717	25,784	25,825	25,717	25,664	25,702	25,742	25,784	25,825
Civilian labor force	16,673	16,616	16,592	16,682	16,717	16,540	16,579	16,724	16,572
Participation rate	64.8	64.4	64.2	64.9	65.1	64.4	64.4	64.9	64.2
Employed	15,111	14,855	14,777	15,027	14,746	14,697	14,769	14,853	14,658
Employment-population ratio	58.8	57.6	57.2	58.4	57.5	57.2	57.4	57.6	56.8
Unemployed	1,562	1,761	1,814	1,656	1,971	1,842	1,810	1,871	1,913
Unemployment rate	9.4	10.6	10.9	9.9	11.8	11.1	10.9	11.2	11.5
Not in labor force	9,043	9,168	9,233	9,034	8,947	9,162	9.163	9,060	9,254
Men, 20 years and over									
Civilian labor force	7,438	7,399	7,391	7,413	7,447	7,336	7,344	7,454	7,359
Participation rate	72.5	71.7	71.5	72.2	72.5	71.3	71.3	72.2	71.2
Employed	6,749	6,648	6,658	6,682	6,604	6,590	6,578	6,620	6,583
Employment-population ratio	65.8	64.4	64.4	65.1	64.3	64.1	63.9	64.1	63.7
Unemployed	688	751	733	731	843	746	766	834	776
Unemployment rate	9.3	10.2	9.9	9.9	11.3	10.2	10.4	11.2	10.5
Women, 20 years and over									
Civilian labor force	8,390	8,443	8,450	8,390	8,500	8,432	8,510	8,445	8,428
Participation rate	64.4	64.6	64.6	64.4	65.3	64.7	65.2	64.6	64.4
Employed	7,708	7,682	7,630	7,676	7,675	7,614	7,684	7,678	7,583
Employment-population ratio	59.1	58.8	58.3	58.9	59.0	58.4	58.9	58.7	57.9
Unemployed	683	761	820	715	826	819	826	767	845
Unemployment rate	8.1	9.0	9.7	8.5	9.7	9.7	9.7	9.1	10.0
Both sexes, 16 to 19 years									
Civilian labor force	845	774	750	879	770	771	725	826	785
Participation rate	34.9	32.4	31.3	36.3	32.3	32.3	30.4	34.5	32.8
Employed	654	526	489	669	467	493	507	555	493
Employment-population ratio	27.0	22.0	20.4	27.6	19.6	20.7	21.2	23.2	20.6
Unemployed	191	249	261	210	302	278	218	271	292
Unemployment rate	22.6	32.1	34.8	23.9	39.3	36.0	30.0	32.8	37.2
ASIAN [2]									
Civilian noninstutional population	9,927	9,297	9,336	(3)	(3)	(3)	(3)	(3)	(3)
Civilian labor force	6,716	6,125	6,154	(3)	(3)	(3)	(3)	(3)	(3)
Participation rate	67.7	65.9	65.9	(3)	(3)	(3)	(3)	(3)	(3)
Employed	6,337	5,747	5,777	(3)	(3)	(3)	(3)	(3)	(3)
Employment-population ratio	63.8	61.8	61.9	(3)	(3)	(3)	(3)	(3)	(3)
Unemployed	379	378	377	(3)	(3)	(3)	(3)	(3)	(3)
Unemployment rate	5.6	6.2	6.1	(3)	(3)	(3)	(3)	(3)	(3)
Not in labor force	3,211	3,172	3,183	(3)	(3)	(3)	(3)	(3)	(3)

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[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Beginning in 2003, persons who selected this race group only; persons who selected more than one race group are not included. Prior to 2003, persons who reported more than one race were included in the group they identified as the main race.

[3] Data not available.

NOTE: Estimates for the above race groups will not sum to totals shown in table A-1 because data are not presented for all races. Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-3. Employment status of the Hispanic or Latino population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted [1]					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
HISPANIC OR LATINO ETHNICITY									
Civilian noninstitutional population	26,272	27,808	27,913	26,272	27,494	27,597	27,701	27,808	27,913
Civilian labor force	18,119	18,831	18,948	18,049	18,856	18,750	18,829	18,859	18,915
Participation rate	69.0	67.7	67.9	68.7	68.6	67.9	68.0	67.8	67.8
Employed	16,742	17,513	17,610	16,637	17,271	17,206	17,370	17,448	17,546
Employment-population ratio	63.7	63.0	63.1	63.3	62.8	62.3	62.7	62.7	62.9
Unemployed	1,376	1,317	1,337	1,412	1,586	1,544	1,460	1,411	1,369
Unemployment rate	7.6	7.0	7.1	7.8	8.4	8.2	7.8	7.5	7.2
Not in labor force	8,154	8,977	8,966	8,223	8,638	8,847	8,872	8,949	8,998
Men, 20 years and over									
Civilian labor force	10,152	10,853	10,867	(2)	(2)	(2)	(2)	(2)	(2)
Participation rate	84.0	84.0	83.7	(2)	(2)	(2)	(2)	(2)	(2)
Employed	9,486	10,262	10,239	(2)	(2)	(2)	(2)	(2)	(2)
Employment-population ratio	78.5	79.4	78.9	(2)	(2)	(2)	(2)	(2)	(2)
Unemployed	666	591	628	(2)	(2)	(2)	(2)	(2)	(2)
Unemployment rate	6.6	5.4	5.8	(2)	(2)	(2)	(2)	(2)	(2)
Women, 20 years and over									
Civilian labor force	6,949	7,108	7,170	(2)	(2)	(2)	(2)	(2)	(2)
Participation rate	59.5	57.7	58.0	(2)	(2)	(2)	(2)	(2)	(2)
Employed	6,432	6,520	6,622	(2)	(2)	(2)	(2)	(2)	(2)
Employment-population ratio	55.1	52.9	53.5	(2)	(2)	(2)	(2)	(2)	(2)
Unemployed	517	588	548	(2)	(2)	(2)	(2)	(2)	(2)
Unemployment rate	7.4	8.3	7.6	(2)	(2)	(2)	(2)	(2)	(2)
Both sexes, 16 to 19 years									
Civilian labor force	1,018	870	911	(2)	(2)	(2)	(2)	(2)	(2)
Participation rate	40.6	34.0	35.6	(2)	(2)	(2)	(2)	(2)	(2)
Employed	825	732	750	(2)	(2)	(2)	(2)	(2)	(2)
Employment-population ratio	32.9	28.6	29.3	(2)	(2)	(2)	(2)	(2)	(2)
Unemployed	193	138	161	(2)	(2)	(2)	(2)	(2)	(2)
Unemployment rate	19.0	15.9	17.7	(2)	(2)	(2)	(2)	(2)	(2)

[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Data not available.

NOTE: Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-4. Employment status of the civilian population 25 years and over by educational attainment

(Numbers in thousands)

Educational attainment	Not seasonally adjusted			Seasonally adjusted					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
Less than a high school diploma									
Civilian labor force	12,344	12,636	12,551	12,461	12,498	12,537	12,639	12,576	12,692
Participation rate	44.4	45.0	45.2	44.9	44.8	45.5	45.5	44.8	45.7
Employed	11,358	11,638	11,516	11,375	11,286	11,446	11,453	11,488	11,562
Employment-population ratio	40.9	41.4	41.5	40.9	40.4	41.5	41.3	40.9	41.7
Unemployed	986	998	1,036	1,086	1,211	1,091	1,185	1,088	1,130
Unemployment rate	8.0	7.9	8.3	8.7	9.7	8.7	9.4	8.6	8.9
High school graduates, no college [1]									
Civilian labor force	38,052	38,044	37,947	37,966	37,977	37,847	37,914	38,068	37,852
Participation rate	64.2	63.7	63.7	64.0	64.1	64.0	63.8	63.7	63.5
Employed	36,361	36,209	36,072	36,090	35,778	35,786	35,883	36,038	35,756
Employment-population ratio	61.3	60.6	60.5	60.9	60.3	60.5	60.4	60.3	60.0
Unemployed	1,691	1,835	1,875	1,876	2,199	2,061	2,031	2,031	2,096
Unemployment rate	4.4	4.8	4.9	4.9	5.8	5.4	5.4	5.3	5.5
Some college or associate degree									
Civilian labor force	34,243	34,023	33,993	33,884	34,329	34,310	33,856	33,938	33,640
Participation rate	73.5	72.9	72.7	72.8	73.2	72.2	72.4	72.7	71.9
Employed	32,751	32,423	32,461	32,299	32,648	32,594	32,271	32,304	32,013
Employment-population ratio	70.3	69.5	69.4	69.4	69.6	68.6	69.0	69.2	68.5
Unemployed	1,492	1,599	1,533	1,585	1,681	1,717	1,585	1,634	1,627
Unemployment rate	4.4	4.7	4.5	4.7	4.9	5.0	4.7	4.8	4.8
Bachelor's degree and higher [2]									
Civilian labor force	38,670	39,857	40,634	38,622	39,966	39,614	40,012	39,813	40,611
Participation rate	78.6	77.7	78.2	78.5	78.3	77.5	77.5	77.6	78.2
Employed	37,538	38,552	39,431	37,458	38,743	38,387	38,752	38,537	39,374
Employment-population ratio	76.3	75.1	75.9	76.1	75.9	75.1	75.1	75.1	75.8
Unemployed	1,132	1,305	1,203	1,165	1,224	1,226	1,260	1,276	1,237
Unemployment rate	2.9	3.3	3.0	3.0	3.1	3.1	3.1	3.2	3.0

[1] Includes high school diploma or equivalent.

[2] Includes persons with bachelor's, master's, professional, and doctoral degrees.

NOTE: Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-5. Employed persons by class of worker and part-time status

(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
CLASS OF WORKER									
Agriculture and related industries	2,551	2,494	2,559	2,483	2,213	2,193	2,348	2,362	2,471
Wage and salary workers	1,430	1,576	1,546	1,394	1,226	1,216	1,384	1,445	1,496
Self-employed workers	1,092	900	996	1,040	1,005	946	937	878	940
Unpaid family workers	28	18	17	(1)	(1)	(1)	(1)	(1)	(1)
Nonagricultural industries	135,001	135,237	136,060	134,537	135,357	135,204	135,215	135,329	135,706
Wage and salary workers	125,717	125,580	126,371	125,346	126,034	125,727	125,661	125,754	126,147
Government	19,691	19,722	19,862	19,692	19,701	19,631	19,651	19,739	19,853
Private industries	106,026	105,858	106,510	105,704	106,275	106,135	105,940	105,967	106,324
Private households	796	784	756	(1)	(1)	(1)	(1)	(1)	(1)
Other industries	105,231	105,074	105,753	104,947	105,441	105,240	105,060	105,212	105,613
Self-employed workers	9,188	9,545	9,574	9,080	9,250	9,306	9,538	9,394	9,464
Unpaid family workers	95	111	115	(1)	(1)	(1)	(1)	(1)	(1)
PERSONS AT WORK PART TIME [2]									
All industries:									
Part time for economic reasons	3,965	4,455	4,394	4,343	4,499	4,649	4,449	4,975	4,836
Slack work or business conditions	2,710	2,878	2,793	2,888	3,153	3,112	3,017	3,203	2,989
Could only find part-time work	1,084	1,336	1,318	1,133	1,257	1,304	1,188	1,365	1,396
Part time for noneconomic reasons	19,441	19,296	19,604	18,685	19,548	19,027	19,564	18,993	18,879
Nonagricultural industries:									
Part time for economic reasons	3,907	4,368	4,297	4,274	4,390	4,566	4,360	4,847	4,717
Slack work or business conditions	2,668	2,828	2,727	2,857	3,074	3,079	2,963	3,145	2,925
Could only find part-time work	1,080	1,325	1,311	1,122	1,237	1,276	1,179	1,367	1,374
Part time for noneconomic reasons	19,071	18,924	19,265	18,347	19,184	18,610	19,142	18,619	18,608

[1] Data not available.

[2] Persons at work excludes employed persons who were absent from their jobs during the entire reference week for reasons such as vacation, illness, or industrial dispute. Part time for noneconomic reasons excludes persons who usually work full time but worked only 1 to 34 hours during the reference week for reasons such as holidays, illness, and bad weather.

NOTE: Detail for the seasonally adjusted data shown in this table will not necessarily add to totals because of the independent seasonal adjustment of the various series. Industries reflect the introduction of the 2002 Census industry classification system derived from the 2002 North American Industry Classification System into the Current Population Survey. Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-6. Selected employment indicators

(In thousands)

Characteristic	Not seasonally adjusted			Seasonally adjusted					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
Total, 16 years and over	137,551	137,731	138,619	136,988	137,738	137,478	137,625	137,573	138,014
16 to 19 years	6,232	5,615	5,701	6,400	5,855	5,823	5,952	5,842	5,830
16 to 17 years	2,337	2,262	2,188	2,347	2,291	2,289	2,362	2,254	2,206
18 to 19 years	3,895	3,353	3,513	4,045	3,568	3,538	3,562	3,594	3,626
20 years and over	131,319	132,116	132,918	130,589	131,883	131,655	131,673	131,730	132,184
20 to 24 years	13,310	13,294	13,438	13,303	13,473	13,379	13,393	13,395	13,444
25 years and over	118,009	118,822	119,479	117,271	118,414	118,288	118,434	118,319	118,790
25 to 54 years	97,363	97,432	97,703	96,840	97,357	97,213	97,185	97,078	97,209
25 to 34 years	30,592	30,410	30,518	30,323	30,410	30,437	30,311	30,261	30,282
35 to 44 years	35,142	34,942	34,943	35,005	34,858	34,742	34,843	34,923	34,819
45 to 54 years	31,629	32,071	32,243	31,512	32,089	32,034	32,031	31,894	32,107
55 years and over	20,646	21,390	21,777	20,430	21,057	21,074	21,249	21,241	21,581
Men, 16 years and over	73,513	73,715	73,979	73,151	73,071	73,043	73,195	73,475	73,569
16 to 19 years	3,141	2,792	2,839	3,230	2,941	2,850	2,992	2,864	2,904
16 to 17 years	1,120	1,073	1,072	1,142	1,089	1,089	1,162	1,069	1,097
18 to 19 years	2,022	1,718	1,766	2,081	1,850	1,757	1,812	1,801	1,801
20 years and over	70,372	70,923	71,141	69,921	70,130	70,193	70,203	70,610	70,665
20 to 24 years	7,010	7,015	7,061	6,975	7,012	6,962	6,947	7,029	7,040
25 years and over	63,362	63,909	64,080	62,938	63,118	63,253	63,328	63,520	63,673
25 to 54 years	52,181	52,460	52,443	51,873	51,961	51,994	51,977	52,160	52,154
25 to 34 years	16,719	16,767	16,780	16,569	16,668	16,711	16,587	16,646	16,645
35 to 44 years	18,894	18,986	18,915	18,804	18,670	18,724	18,757	18,934	18,835
45 to 54 years	16,567	16,707	16,747	16,500	16,623	16,559	16,632	16,581	16,674
55 years and over	11,181	11,449	11,637	11,065	11,157	11,259	11,351	11,360	11,520
Women, 16 years and over	64,039	64,016	64,640	63,837	64,667	64,435	64,430	64,098	64,446
16 to 19 years	3,091	2,823	2,863	3,169	2,914	2,973	2,960	2,978	2,926
16 to 17 years	1,217	1,188	1,116	1,204	1,203	1,200	1,199	1,185	1,109
18 to 19 years	1,874	1,635	1,747	1,964	1,718	1,781	1,750	1,793	1,825
20 years and over	60,947	61,193	61,777	60,668	61,753	61,462	61,470	61,120	61,519
20 to 24 years	6,300	6,280	6,377	6,328	6,461	6,416	6,445	6,366	6,403
25 years and over	54,647	54,913	55,400	54,332	55,295	55,035	55,106	54,799	55,116
25 to 54 years	45,183	44,972	45,260	44,967	45,396	45,220	45,208	44,918	45,055
25 to 34 years	13,873	13,652	13,737	13,754	13,742	13,726	13,724	13,615	13,637
35 to 44 years	16,248	15,956	16,027	16,201	16,188	16,019	16,086	15,990	15,984
45 to 54 years	15,061	15,364	15,495	15,012	15,466	15,475	15,399	15,313	15,434
55 years and over	9,465	9,941	10,139	9,365	9,900	9,816	9,898	9,881	10,061
Married men, spouse present	44,628	44,809	45,006	44,245	44,371	44,739	44,620	44,522	44,674
Married women, spouse present	34,618	34,635	35,345	34,322	34,600	34,612	34,655	34,562	35,096
Women who maintain families	8,507	8,396	8,484	(1)	(1)	(1)	(1)	(1)	(1)
Full-time workers [2]	113,570	113,568	113,828	113,458	112,904	113,316	112,954	113,206	113,662
Part-time workers [3]	23,981	24,163	24,791	23,635	24,990	24,458	24,981	24,419	24,451

[1] Data not available.

[2] Employed full-time workers are persons who usually work 35 hours or more per week.

[3] Employed part-time workers are persons who usually work less than 35 hours per week.

NOTE: Detail for the seasonally adjusted data shown in this table will not necessarily add to totals because of the independent seasonal adjustment of the various series. Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-7. Selected unemployment indicators, seasonally adjusted

Characteristic	Number of unemployed persons (in thousands)			Unemployment rates [1]					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
Total, 16 years and over	8,405	8,973	8,779	5.8	6.4	6.2	6.1	6.1	6.0
16 to 19 years	1,135	1,243	1,200	15.1	19.3	18.4	16.6	17.5	17.1
16 to 17 years	453	542	582	16.2	21.6	20.8	18.7	19.4	20.9
18 to 19 years	674	687	637	14.3	17.9	17.0	15.9	16.1	14.9
20 years and over	7,269	7,729	7,579	5.3	5.7	5.6	5.5	5.5	5.4
20 to 24 years	1,502	1,636	1,491	10.1	10.7	10.3	10.3	10.9	10.0
25 years and over	5,768	6,111	6,120	4.7	5.1	5.0	5.0	4.9	4.9
25 to 54 years	4,942	5,217	5,272	4.9	5.3	5.1	5.1	5.1	5.1
25 to 34 years	1,859	2,042	2,048	5.8	6.5	6.1	6.3	6.3	6.3
35 to 44 years	1,787	1,766	1,851	4.9	5.4	5.2	5.0	4.8	5.0
45 to 54 years	1,296	1,409	1,374	4.0	4.0	4.0	4.1	4.2	4.1
55 years and over	823	869	833	3.9	4.6	4.3	4.1	3.9	3.7
Men, 16 years and over	4,575	5,010	4,863	5.9	6.8	6.6	6.4	6.4	6.2
16 to 19 years	613	715	668	16.0	20.1	20.9	16.9	20.0	18.7
16 to 17 years	237	312	279	17.2	23.8	22.8	20.7	22.6	20.3
18 to 19 years	372	403	389	15.2	17.7	19.5	15.3	18.3	17.8
20 years and over	3,962	4,295	4,195	5.4	6.1	5.9	5.8	5.7	5.6
20 to 24 years	813	954	839	10.4	11.7	11.7	10.8	11.9	10.7
25 years and over	3,153	3,371	3,385	4.8	5.5	5.2	5.3	5.0	5.0
25 to 54 years	2,695	2,878	2,918	4.9	5.5	5.3	5.5	5.2	5.3
25 to 34 years	1,023	1,167	1,168	5.8	6.7	6.4	6.9	6.6	6.6
35 to 44 years	966	967	957	4.9	5.6	5.2	5.2	4.9	4.8
45 to 54 years	706	745	792	4.1	4.2	4.4	4.4	4.3	4.5
55 years and over	459	493	467	4.0	5.5	4.6	4.4	4.2	3.9
Women, 16 years and over	3,829	3,962	3,916	5.7	5.9	5.7	5.8	5.8	5.7
16 to 19 years	522	528	532	14.1	18.5	16.0	16.4	15.1	15.4
16 to 17 years	216	230	303	15.2	19.5	18.9	16.7	16.3	21.5
18 to 19 years	302	285	248	13.3	18.0	14.5	16.6	13.7	12.0
20 years and over	3,308	3,434	3,384	5.2	5.2	5.2	5.2	5.3	5.2
20 to 24 years	689	682	651	9.8	9.5	8.9	9.8	9.7	9.2
25 years and over	2,614	2,740	2,734	4.6	4.7	4.7	4.6	4.8	4.7
25 to 54 years	2,247	2,339	2,354	4.8	5.0	4.9	4.7	5.0	5.0
25 to 34 years	836	875	880	5.7	6.2	5.8	5.6	6.0	6.1
35 to 44 years	821	800	893	4.8	5.2	5.2	4.8	4.8	5.3
45 to 54 years	590	664	581	3.8	3.7	3.7	3.8	4.2	3.6
55 years and over [2]	344	391	354	3.5	3.7	4.2	4.5	3.8	3.4
Married men, spouse present	1,630	1,716	1,760	3.6	4.4	3.9	3.8	3.7	3.8
Married women, spouse present	1,342	1,427	1,366	3.8	3.9	3.9	3.8	4.0	3.7
Women who maintain families [2]	706	775	781	7.7	8.7	9.0	8.4	8.5	8.4
Full-time workers [3]	7,099	7,484	7,367	5.9	6.5	6.3	6.2	6.2	6.1
Part-time workers [4]	1,305	1,512	1,413	5.2	5.9	5.5	5.3	5.8	5.5

[1] Unemployment as a percent of the civilian labor force.

[2] Not seasonally adjusted.

[3] Full-time workers are unemployed persons who have expressed a desire to work full time (35 hours or more per week) or are on layoff from full-time jobs.

[4] Part-time workers are unemployed persons who have expressed a desire to work part time (less than 35 hours per week) or are on layoff from part-time jobs.

NOTE: Detail shown in this table will not necessarily add to totals because of the independent seasonal adjustment of the various series. Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-8. Unemployed persons by reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
NUMBER OF UNEMPLOYED									
Job losers and persons who completed temporary jobs	4,151	4,500	4,319	4,828	5,010	4,951	4,942	5,014	4,936
On temporary layoff	735	763	739	1,098	1,199	1,198	1,080	1,108	1,097
Not on temporary layoff	3,416	3,737	3,580	3,729	3,811	3,753	3,862	3,905	3,838
Permanent job losers	2,663	2,956	2,793	(1)	(1)	(1)	(1)	(1)	(1)
Persons who completed temporary jobs	753	781	787	(1)	(1)	(1)	(1)	(1)	(1)
Job leavers	895	895	832	850	893	792	782	847	783
Reentrants	2,291	2,404	2,443	2,386	2,687	2,529	2,540	2,408	2,544
New entrants	432	637	575	494	648	670	628	700	655
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers and persons who completed temporary jobs	53.4	53.3	52.9	56.4	54.2	55.4	55.6	55.9	55.3
On temporary layoff	9.5	9.0	9.0	12.8	13.0	13.4	12.1	12.4	12.3
Not on temporary layoff	44.0	44.3	43.8	43.6	41.3	42.0	43.4	43.5	43.0
Job leavers	11.5	10.6	10.2	9.9	9.7	8.9	8.8	9.4	8.8
Reentrants	29.5	28.5	29.9	27.9	29.1	28.3	28.6	26.9	28.5
New entrants	5.6	7.5	7.0	5.8	7.0	7.5	7.1	7.8	7.3
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers and persons who completed temporary jobs	2.9	3.1	2.9	3.3	3.4	3.4	3.4	3.4	3.4
Job leavers	.6	.6	.5	.6	.6	.5	.5	.6	.5
Reentrants	1.6	1.6	1.7	1.6	1.8	1.7	1.7	1.6	1.7
New entrants	.3	.4	.4	.3	.4	.5	.4	.5	.4

[1] Data not available.

NOTE: Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-9. Unemployed persons by duration of unemployment

(Numbers in thousands)

Duration	Not seasonally adjusted			Seasonally adjusted					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
NUMBER OF UNEMPLOYED									
Less than 5 weeks	2,618	2,682	2,579	2,797	3,009	2,730	2,727	2,739	2,731
5 to 14 weeks	2,281	2,514	2,346	2,515	2,936	2,699	2,595	2,783	2,577
15 weeks and over	2,870	3,240	3,243	3,099	3,572	3,592	3,572	3,524	3,463
15 to 26 weeks	1,272	1,268	1,354	1,374	1,536	1,633	1,637	1,421	1,444
27 weeks and over	1,598	1,973	1,890	1,724	2,036	1,959	1,935	2,102	2,020
Average (mean) duration, in weeks	18.0	19.5	19.6	17.6	19.8	19.3	19.0	19.7	19.1
Median duration, in weeks	9.6	10.2	10.3	9.6	12.3	10.0	9.6	10.1	10.3
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	33.7	31.8	31.6	33.2	31.6	30.3	30.7	30.3	31.1
5 to 14 weeks	29.4	29.8	28.7	29.9	30.9	29.9	29.2	30.8	29.4
15 weeks and over	36.9	38.4	39.7	36.8	37.5	39.8	40.2	39.0	39.5
15 to 26 weeks	16.4	15.0	16.6	16.3	16.1	18.1	18.4	15.7	16.5
27 weeks and over	20.6	23.4	23.1	20.5	21.4	21.7	21.8	23.2	23.0

NOTE: Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-10. Employed and unemployed persons by occupation, not seasonally adjusted

(Numbers in thousands)

Occupation	Employed		Unemployed		Unemployment rates	
	Oct. 2002	Oct. 2003	Oct. 2002	Oct. 2003	Oct. 2002	Oct. 2003
Total, 16 years and over [1]	137,551	138,619	7,769	8,169	5.3	5.6
Management, professional, and related occupations	47,640	48,200	1,379	1,464	2.8	2.9
Management, business, and financial operations occupations	19,875	19,568	608	614	3.0	3.0
Professional and related occupations	27,765	28,632	771	849	2.7	2.9
Service occupations	22,060	21,872	1,486	1,700	6.3	7.2
Sales and office occupations	34,999	35,446	2,095	2,005	5.6	5.4
Sales and related occupations	15,921	16,010	1,022	1,011	6.0	5.9
Office and administrative support occupations	19,078	19,436	1,072	995	5.3	4.9
Natural resources, construction, and maintenance occupations	14,198	14,952	996	1,075	6.6	6.7
Farming, fishing, and forestry occupations	1,169	1,261	94	115	7.5	8.4
Construction and extraction occupations	8,252	8,367	738	651	8.2	7.2
Installation, maintenance, and repair occupations	4,777	5,323	163	309	3.3	5.5
Production, transportation, and material moving occupations	18,655	18,149	1,348	1,321	6.7	6.8
Production occupations	10,101	9,727	719	683	6.6	6.6
Transportation and material moving occupations	8,554	8,422	629	638	6.8	7.0

[1] Persons with no previous work experience and persons whose last job was in the Armed Forces are included in the unemployed total.

NOTE: Occupations reflect the introduction of the 2002 Census occupational classification system derived from the 2000 Standard Occupational Classification system into the Current Population Survey. Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-11. Unemployed persons by industry, not seasonally adjusted

Industry	Number of unemployed persons (in thousands)		Unemployment rates	
	Oct. 2002	Oct. 2003	Oct. 2002	Oct. 2003
Total, 16 years and over [1]	7,769	8,169	5.3	5.6
Nonagricultural private wage and salary workers	6,466	6,620	5.7	5.9
Mining	36	31	6.4	5.6
Construction	680	651	7.7	7.4
Manufacturing	1,046	1,041	5.9	6.0
Durable goods	666	683	5.9	6.3
Nondurable goods	380	358	6.0	5.4
Wholesale and retail trade	1,212	1,189	6.1	5.7
Transportation and utilities	262	260	4.7	4.8
Information	211	182	6.0	5.4
Financial activities	312	303	3.5	3.3
Professional and business services	962	1,014	7.5	8.1
Education and health services	517	639	3.0	3.6
Leisure and hospitality	956	933	8.5	8.3
Other services	272	378	4.6	6.1
Agriculture and related private wage and salary workers	97	136	6.6	8.5
Government workers	499	500	2.5	2.4
Self employed and unpaid family workers	275	338	2.6	3.1

[1] Persons with no previous work experience are included in the unemployed total.

NOTE: Industries reflect the introduction of the 2002 Census industry classification system derived from the 2002 North American Industry Classification System into the Current Population Survey. Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-12. Alternative measures of labor underutilization

(Percent)

Measure	Not seasonally adjusted			Seasonally adjusted					
	Oct. 2002	Sept. 2003	Oct. 2003	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003
U-1 Persons unemployed 15 weeks or longer, as a percent of the civilian labor force	2.0	2.2	2.2	2.1	2.4	2.5	2.4	2.4	2.4
U-2 Job losers and persons who completed temporary jobs, as a percent of the civilian labor force	2.9	3.1	2.9	3.3	3.4	3.4	3.4	3.4	3.4
U-3 Total unemployed, as a percent of the civilian labor force (official unemployment rate)	5.3	5.8	5.6	5.8	6.4	6.2	6.1	6.1	6.0
U-4 Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers	5.6	6.0	5.9	([1])	([1])	([1])	([1])	([1])	([1])
U-5 Total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers	6.3	6.8	6.6	([1])	([1])	([1])	([1])	([1])	([1])
U-6 Total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers	9.0	9.8	9.5	([1])	([1])	([1])	([1])	([1])	([1])

[1] Data not available.

NOTE: Marginally attached workers are persons who currently are neither working nor looking for work but indicate that they want and are available for a job and have looked for work sometime in the recent past. Discouraged workers, a subset of the marginally attached, have given a job-market related reason for not currently looking for a job. Persons employed part time for economic reasons are those who want and are available for full-time work but have had to settle for a part-time schedule. For further information, see "BLS introduces new range of alternative unemployment measures," in the October 1995 issue of the *Monthly Labor Review*. Beginning in January 2003, data reflect revised population controls used in the household survey.

Table A-13. Persons not in the labor force and multiple jobholders by sex, not seasonally adjusted

(Numbers in thousands)

Category	Total		Men		Women	
	Oct. 2002	Oct. 2003	Oct. 2002	Oct. 2003	Oct. 2002	Oct. 2003
NOT IN THE LABOR FORCE						
Total not in the labor force	73,019	75,252	27,344	28,487	45,676	46,765
Persons who currently want a job	4,192	4,561	1,896	2,086	2,296	2,475
Searched for work and available to work now [1]	1,416	1,586	708	737	708	849
Reason not currently looking:						
Discouragement over job prospects [2]	359	462	206	223	153	239
Reasons other than discouragement [3]	1,057	1,125	502	514	555	610
MULTIPLE JOBHOLDERS						
Total multiple jobholders [4]	7,320	7,515	3,722	3,776	3,597	3,738
Percent of total employed	5.3	5.4	5.1	5.1	5.6	5.8
Primary job full time, secondary job part time	3,893	3,849	2,284	2,203	1,610	1,646
Primary and secondary jobs both part time	1,738	1,840	507	578	1,232	1,261
Primary and secondary jobs both full time	264	235	160	138	103	97
Hours vary on primary or secondary job	1,374	1,554	744	837	629	717

[1] Data refer to persons who have searched for work during the prior 12 months and were available to take a job during the reference week.

[2] Includes thinks no work available, could not find work, lacks schooling or training, employer thinks too young or old, and other types of discrimination.

[3] Includes those who did not actively look for work in the prior 4 weeks for such reasons as child-care and transportation problems, as well as a small number for which reason for nonparticipation was not determined.

[4] Includes persons who work part time on their primary job and full time on their secondary job(s), not shown separately.

NOTE: Beginning in January 2003, data reflect revised population controls used in the household survey.

Table B-1. Employees on nonfarm payrolls by industry sector and selected industry detail

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted						
	Oct. 2002	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Change from: Sept. 2003-Oct. 2003
Total nonfarm	131,297	129,633	130,249	131,071	130,408	129,903	129,846	129,881	130,006	130,132	126
Total private	109,463	109,314	108,998	109,292	108,864	108,427	108,388	108,411	108,528	108,644	116
Goods-producing	22,692	22,392	22,282	22,217	22,435	22,061	22,001	21,982	21,969	21,952	-17
Natural resources and mining	583	577	573	577	572	569	566	565	564	565	1
Logging	70.5	66.9	66.8	68.2	66.7	65.7	64.0	63.6	63.5	64.1	.6
Mining	512.6	510.5	506.3	508.4	505.7	502.8	502.1	501.1	500.1	500.5	.4
Oil and gas extraction	121.2	126.4	125.7	126.5	121.5	125.7	125.3	125.0	125.5	126.0	.5
Mining, except oil and gas[1]	213.4	214.1	211.3	211.7	209.7	208.9	209.6	209.1	207.4	207.5	.1
Coal mining	73.9	73.0	71.4	71.8	73.6	73.2	73.7	72.9	71.4	71.5	.1
Support activities for mining	178.0	170.0	169.3	170.2	174.5	168.2	167.2	167.0	167.2	167.0	-.2
Construction	6,922	7,134	7,082	7,058	6,720	6,800	6,804	6,825	6,841	6,847	6
Construction of buildings	1,621.3	1,665.1	1,658.5	1,656.5	1,588.0	1,609.7	1,606.7	1,610.9	1,620.3	1,621.5	1.2
Heavy and civil engineering construction	979.5	987.6	986.4	978.6	918.1	905.8	910.8	913.9	915.8	912.8	-3.0
Specialty trade contractors	4,321.3	4,480.9	4,437.3	4,422.7	4,214.2	4,284.1	4,286.3	4,300.3	4,305.3	4,312.3	7.0
Manufacturing	15,187	14,681	14,627	14,582	15,143	14,692	14,631	14,592	14,564	14,540	-24
Production workers	10,727	10,296	10,262	10,227	10,685	10,299	10,257	10,229	10,198	10,176	-22
Durable goods	9,413	9,052	9,017	9,006	9,400	9,081	9,034	9,018	9,000	8,990	-10
Production workers	6,486	6,206	6,180	6,172	6,474	6,221	6,188	6,182	6,161	6,149	-12
Wood products	557.1	549.5	547.7	547.0	554.2	541.0	540.8	538.2	541.1	542.7	1.6
Nonmetallic mineral products	524.5	512.5	508.6	504.2	516.1	505.0	501.1	501.4	498.1	496.7	-1.4
Primary metals	504.9	477.9	474.3	469.8	504.4	482.0	478.5	475.9	471.9	469.0	-2.9
Fabricated metal products	1,536.6	1,471.5	1,464.9	1,470.0	1,532.0	1,476.4	1,470.7	1,469.2	1,464.4	1,466.2	1.8
Machinery	1,215.7	1,165.6	1,162.1	1,161.0	1,219.6	1,175.8	1,171.9	1,168.0	1,166.6	1,165.1	-1.5
Computer and electronic products[1]	1,482.7	1,392.3	1,381.5	1,379.1	1,483.9	1,407.7	1,398.1	1,392.5	1,385.9	1,379.3	-6.6
Computer and peripheral equipment	241.3	221.1	220.2	219.4	242.0	226.5	223.6	221.9	221.5	219.2	-2.3
Communications equipment	186.6	169.6	168.9	169.1	185.5	173.3	171.9	170.9	170.0	169.3	-.7
Semiconductors and electronic components	512.7	480.1	472.6	469.9	513.9	485.1	480.9	479.5	474.2	470.1	-4.1
Electronic instruments	442.6	430.8	428.7	428.5	444.1	429.9	429.0	429.0	429.0	428.8	-.2
Electrical equipment and appliances	488.8	462.6	462.0	459.8	489.1	467.7	465.9	462.1	461.1	460.3	-.8
Transportation equipment	1,815.0	1,773.8	1,772.7	1,769.7	1,815.5	1,774.3	1,760.2	1,767.6	1,769.1	1,769.1	.0
Furniture and related products	596.5	574.9	574.2	576.3	596.9	574.1	574.2	572.7	573.6	574.6	1.0
Miscellaneous manufacturing	690.8	671.1	668.6	668.7	688.3	676.6	673.0	670.4	667.9	666.6	-1.3
Nondurable goods	5,774	5,629	5,610	5,576	5,743	5,611	5,597	5,574	5,564	5,550	-14
Production workers	4,241	4,090	4,082	4,055	4,211	4,078	4,069	4,047	4,037	4,027	-10
Food manufacturing	1,541.4	1,558.6	1,560.4	1,541.3	1,520.0	1,517.5	1,520.9	1,521.7	1,524.8	1,524.1	-.7
Beverages and tobacco products	205.2	199.7	198.8	196.8	203.1	194.5	194.4	194.8	194.4	194.5	.1
Textile mills	287.8	260.2	259.0	254.0	287.5	270.1	264.7	259.6	257.7	254.8	-2.9
Textile product mills	196.1	178.9	179.3	179.7	195.4	186.4	184.2	178.4	179.6	179.6	.0
Apparel	349.4	299.5	298.5	298.0	346.7	307.8	301.2	299.0	295.3	294.6	-.7
Leather and allied products	48.6	43.2	42.9	42.8	48.6	43.3	43.5	43.1	43.0	42.5	-.5
Paper and paper products	546.4	528.3	526.9	524.5	545.6	530.6	527.3	526.4	525.0	523.9	-1.1
Printing and related support activities	703.0	691.4	687.2	686.6	701.3	694.1	692.2	690.0	687.0	684.2	-2.8
Petroleum and coal products	120.2	119.4	117.9	116.5	118.7	118.4	118.0	116.9	116.0	115.5	-.5
Chemicals	922.6	916.5	908.2	906.0	925.1	916.5	917.7	914.8	912.1	909.3	-2.8
Plastics and rubber products	853.5	832.9	831.1	829.3	851.0	831.7	833.3	829.3	829.1	827.3	-1.8
Service-providing	108,605	107,241	107,967	108,854	107,973	107,842	107,845	107,899	108,037	108,180	143
Private service-providing	86,771	86,922	86,716	87,075	86,429	86,366	86,387	86,429	86,559	86,692	133
Trade, transportation, and utilities	25,539	25,200	25,200	25,380	25,439	25,238	25,211	25,217	25,241	25,269	28
Wholesale trade	5,635.7	5,571.7	5,554.0	5,564.6	5,618.9	5,570.6	5,560.1	5,550.0	5,548.8	5,547.6	-1.2
Durable goods	2,996.1	2,946.8	2,929.6	2,940.6	2,990.8	2,947.5	2,940.4	2,934.5	2,930.9	2,932.4	1.5
Nondurable goods	2,019.7	2,006.5	2,004.5	2,002.2	2,010.1	2,004.1	2,001.4	1,997.7	1,996.4	1,994.0	-2.4
Electronic markets and agents and brokers	619.9	618.4	619.9	621.8	618.0	619.0	618.3	617.8	621.5	621.2	-.3

See footnotes at end of table.

Table B-1. Employees on nonfarm payrolls by industry sector and selected industry detail-Continued

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted						
	Oct. 2002	Aug. 2003	Sept. 2003^{p}	Oct. 2003^{p}	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003^{p}	Oct. 2003^{p}	Change from: Sept. 2003-Oct. 2003
Retail trade	15,070.9	14,950.8	14,906.1	15,063.2	15,025.2	14,964.2	14,958.0	14,975.1	14,984.9	15,015.2	30.3
Motor vehicle and parts dealers[1]	1,896.8	1,896.5	1,896.7	1,896.4	1,886.8	1,877.9	1,883.2	1,880.5	1,884.3	1,884.9	.6
Automobile dealers	1,259.2	1,253.6	1,255.2	1,255.3	1,254.9	1,246.0	1,249.0	1,248.1	1,250.1	1,250.2	.1
Furniture and home furnishings stores	549.5	536.9	538.2	546.1	546.8	546.5	543.9	541.6	542.8	543.2	.4
Electronics and appliance stores	527.0	513.0	513.2	522.4	526.4	522.9	519.6	519.9	519.9	520.6	.7
Building material and garden supply stores	1,180.3	1,222.1	1,209.7	1,214.4	1,184.2	1,194.2	1,196.5	1,203.3	1,210.8	1,215.8	5.0
Food and beverage stores	2,859.5	2,808.2	2,790.5	2,809.7	2,852.5	2,812.8	2,801.7	2,798.0	2,791.9	2,804.9	13.0
Health and personal care stores	950.0	966.8	965.8	973.4	949.2	967.9	965.8	965.9	968.3	972.1	3.8
Gasoline stations	904.2	918.6	907.1	901.4	903.6	908.6	904.0	907.1	903.5	901.0	-2.5
Clothing and clothing accessories stores	1,302.2	1,281.7	1,257.1	1,276.7	1,307.4	1,277.5	1,277.6	1,278.9	1,278.4	1,283.5	5.1
Sporting goods, hobby, book, and music stores	659.0	629.9	636.0	643.3	655.3	642.0	640.8	640.6	640.6	641.2	.6
General merchandise stores[1]	2,824.4	2,807.4	2,818.7	2,885.1	2,809.1	2,831.5	2,838.9	2,857.7	2,863.8	2,867.6	3.8
Department stores	1,707.1	1,663.2	1,671.9	1,723.9	1,696.6	1,689.9	1,690.3	1,703.6	1,705.6	1,706.3	.7
Miscellaneous store retailers	964.6	939.3	938.2	944.8	960.8	941.8	942.5	941.0	942.0	942.7	.7
Nonstore retailers	453.4	430.4	434.9	449.5	443.1	440.6	443.5	440.6	438.6	437.7	-.9
Transportation and warehousing	4,232.8	4,083.4	4,148.7	4,161.6	4,194.6	4,113.9	4,103.7	4,101.2	4,115.8	4,114.3	-1.5
Air transportation	560.5	505.5	507.4	502.0	556.3	510.0	502.4	500.0	502.5	497.4	-5.1
Rail transportation	215.3	215.8	217.0	217.1	215.1	217.2	217.1	214.8	216.6	216.1	-.5
Water transportation	50.4	52.5	49.8	49.4	50.4	50.1	50.0	49.9	48.6	49.2	.6
Truck transportation	1,354.7	1,352.6	1,347.3	1,351.2	1,336.2	1,326.9	1,324.0	1,331.0	1,329.9	1,332.0	2.1
Transit and ground passenger transportation	372.2	293.7	363.0	370.8	365.1	345.4	347.4	348.3	355.7	358.0	2.3
Pipeline transportation	40.5	39.1	38.6	38.6	40.4	39.7	39.5	38.9	38.9	38.8	-.1
Scenic and sightseeing transportation	26.5	37.3	33.8	30.4	26.2	29.9	29.5	30.0	29.9	30.2	.3
Support activities for transportation	531.2	522.7	524.0	525.8	528.1	523.2	520.2	519.1	522.7	522.7	.0
Couriers and messengers	557.4	551.9	552.6	555.1	557.5	560.9	560.6	557.8	557.3	555.3	-2.0
Warehousing and storage	524.1	512.3	515.2	521.2	519.3	510.6	513.0	511.4	513.7	514.6	.9
Utilities	599.8	593.9	590.9	590.3	600.6	589.5	589.6	590.8	591.1	591.4	.3
Information	3,388	3,283	3,252	3,250	3,392	3,285	3,278	3,267	3,265	3,257	-8
Publishing industries, except Internet	964.8	942.0	938.0	937.5	964.7	945.1	941.4	941.5	939.7	937.8	-1.9
Motion picture and sound recording industries	387.9	379.8	362.5	359.7	394.7	371.7	373.7	367.2	369.3	367.5	-1.8
Broadcasting, except Internet	330.7	323.1	325.6	324.7	330.3	324.2	324.1	322.9	325.4	324.1	-1.3
Internet publishing and broadcasting	34.1	34.6	34.4	33.7	34.2	34.0	34.5	34.2	34.1	33.7	-.4
Telecommunications	1,181.7	1,129.1	1,123.6	1,122.6	1,177.7	1,132.5	1,127.8	1,125.7	1,124.3	1,120.9	-3.4
ISPs, search portals, and data processing	442.1	428.6	423.1	425.5	444.0	432.1	430.9	429.7	426.8	426.6	-.2
Other information services	46.3	45.6	45.2	46.0	46.5	45.1	45.1	45.5	45.7	46.0	.3
Financial activities	7,858	8,043	7,981	7,969	7,872	7,972	7,981	7,980	7,989	7,980	-9
Finance and insurance	5,828.8	5,943.9	5,918.2	5,911.3	5,841.1	5,923.3	5,928.6	5,924.4	5,935.1	5,923.5	-11.6
Monetary authorities - central bank	22.8	22.1	21.9	21.8	22.9	22.1	22.1	22.0	22.0	21.8	-.2
Credit intermediation and related activities[1]	2,705.1	2,802.0	2,781.8	2,771.7	2,714.0	2,783.5	2,789.4	2,788.8	2,791.5	2,781.8	-9.7
Depository credit intermediation[1]	1,738.0	1,782.9	1,766.2	1,766.3	1,745.6	1,768.5	1,771.5	1,772.4	1,772.8	1,774.4	1.6
Commercial banking	1,283.6	1,313.7	1,298.0	1,297.5	1,288.8	1,302.3	1,304.1	1,304.8	1,303.2	1,303.6	.4
Securities, commodity contracts, investments	795.1	800.5	799.1	802.5	796.9	796.7	796.6	794.9	799.3	800.8	1.5
Insurance carriers and related activities	2,220.7	2,237.7	2,233.7	2,234.8	2,222.2	2,238.9	2,238.1	2,237.1	2,240.4	2,238.4	-2.0
Funds, trusts, and other financial vehicles	85.1	81.6	81.7	80.5	85.1	82.1	82.4	81.6	81.9	80.7	-1.2
Real estate and rental and leasing	2,028.9	2,099.3	2,063.0	2,057.9	2,031.1	2,048.6	2,052.7	2,055.2	2,053.7	2,056.0	2.3
Real estate	1,354.9	1,399.7	1,378.7	1,378.8	1,354.4	1,365.2	1,368.9	1,371.5	1,373.5	1,375.5	2.0
Rental and leasing services	646.3	669.8	654.2	648.5	648.9	654.2	654.6	654.2	650.2	650.1	-.1
Lessors of nonfinancial intangible assets	27.7	29.8	30.1	30.6	27.8	29.2	29.2	29.5	30.0	30.4	.4
Professional and business services	16,197	16,235	16,265	16,353	16,036	16,006	16,063	16,054	16,124	16,167	43
Professional and technical services[1]	6,697.0	6,640.5	6,621.7	6,671.8	6,738.3	6,674.9	6,661.6	6,657.3	6,696.1	6,719.6	23.5
Legal services	1,120.3	1,126.2	1,118.5	1,127.3	1,121.7	1,125.2	1,122.8	1,121.9	1,125.1	1,128.2	3.1
Accounting and bookkeeping services	823.3	790.1	790.7	798.6	882.7	848.9	847.9	854.3	859.8	863.1	3.3
Architectural and engineering services	1,256.7	1,258.7	1,252.6	1,251.7	1,251.3	1,236.0	1,240.9	1,238.1	1,247.1	1,246.6	-.5
Computer systems design and related services	1,153.2	1,124.6	1,127.6	1,137.5	1,153.4	1,142.0	1,130.6	1,125.4	1,134.8	1,140.1	5.3
Management and technical consulting services	737.1	742.1	741.2	752.2	734.0	731.8	735.0	736.1	742.0	748.9	6.9

See footnotes at end of table.

Table B-1. Employees on nonfarm payrolls by industry sector and selected industry detail-Continued

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted						
	Oct. 2002	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Change from: Sept. 2003-Oct. 2003
Professional and business services-Continued											
Management of companies and enterprises	1,709.8	1,698.8	1,697.5	1,695.3	1,703.9	1,690.8	1,698.5	1,690.8	1,691.1	1,689.2	-1.9
Administrative and waste services	7,789.8	7,895.5	7,946.0	7,986.3	7,594.0	7,639.8	7,702.5	7,706.1	7,737.2	7,758.2	21.0
Administrative and support services[1]	7,471.9	7,573.7	7,625.7	7,669.8	7,279.2	7,323.0	7,380.3	7,389.2	7,420.3	7,443.1	22.8
Employment services[1]	3,406.1	3,489.4	3,561.7	3,605.5	3,260.8	3,318.3	3,374.8	3,373.7	3,399.0	3,427.7	28.7
Temporary help services	2,294.7	2,322.7	2,387.7	2,405.1	2,192.6	2,207.9	2,226.6	2,236.6	2,264.3	2,281.2	16.9
Business support services	751.5	743.0	745.8	757.0	749.1	747.8	745.0	750.4	753.7	753.9	.2
Services to buildings and dwellings	1,642.9	1,687.1	1,664.9	1,647.3	1,606.7	1,601.8	1,609.9	1,613.5	1,610.6	1,605.8	-4.8
Waste management and remediation services	317.9	321.8	320.3	316.5	314.8	316.8	322.2	316.9	316.9	315.1	-1.8
Education and health services	16,471	16,178	16,475	16,801	16,315	16,503	16,487	16,541	16,569	16,625	56
Educational services	2,830.4	2,361.3	2,650.0	2,900.6	2,681.3	2,689.7	2,676.7	2,699.8	2,714.8	2,737.3	22.5
Health care and social assistance	13,640.5	13,816.8	13,824.7	13,900.6	13,633.3	13,813.2	13,810.0	13,840.8	13,854.1	13,887.9	33.8
Ambulatory health care services[1]	4,693.6	4,800.0	4,787.3	4,816.8	4,692.0	4,777.4	4,781.6	4,791.7	4,792.0	4,809.7	17.7
Offices of physicians	2,009.0	2,062.1	2,056.1	2,068.5	2,009.0	2,050.2	2,052.7	2,056.6	2,058.0	2,067.2	9.2
Outpatient care centers	412.0	413.9	411.6	412.3	412.2	414.7	412.9	413.7	413.3	413.3	.0
Home health care services	689.6	710.5	712.1	717.0	687.9	709.0	711.1	711.8	711.1	713.1	2.0
Hospitals	4,180.5	4,241.7	4,236.2	4,240.8	4,179.0	4,227.0	4,226.8	4,235.2	4,237.6	4,240.3	2.7
Nursing and residential care facilities[1]	2,757.4	2,797.0	2,788.4	2,798.9	2,757.1	2,790.7	2,787.2	2,789.7	2,794.0	2,799.0	5.0
Nursing care facilities	1,581.2	1,586.4	1,585.5	1,588.7	1,580.8	1,589.6	1,586.0	1,583.8	1,586.4	1,588.6	2.2
Social assistance[1]	2,009.0	1,978.1	2,012.8	2,044.1	2,005.2	2,018.1	2,014.4	2,024.2	2,030.5	2,038.9	8.4
Child day care services	735.3	688.2	728.8	749.1	726.2	722.7	729.3	732.4	733.4	739.2	5.8
Leisure and hospitality	11,982	12,632	12,247	12,017	12,032	12,039	12,051	12,051	12,058	12,081	23
Arts, entertainment, and recreation	1,742.9	2,008.0	1,815.7	1,719.6	1,790.1	1,758.4	1,763.8	1,759.8	1,765.2	1,772.9	7.7
Performing arts and spectator sports	358.2	372.4	360.5	350.3	360.9	346.5	347.4	347.3	354.1	357.5	3.4
Museums, historical sites, zoos, and parks	111.3	117.7	109.4	109.9	111.2	109.8	110.0	109.8	108.9	109.5	.6
Amusements, gambling, and recreation	1,273.4	1,517.9	1,345.8	1,259.4	1,318.0	1,302.1	1,306.4	1,302.7	1,302.2	1,305.9	3.7
Accommodations and food services	10,239.1	10,624.1	10,431.2	10,297.2	10,241.6	10,280.4	10,286.9	10,290.8	10,293.0	10,307.8	14.8
Accommodations	1,782.7	1,916.9	1,797.9	1,741.6	1,789.1	1,769.1	1,778.6	1,769.1	1,751.0	1,742.4	-8.6
Food services and drinking places	8,456.4	8,707.2	8,633.3	8,555.6	8,452.5	8,511.3	8,508.3	8,521.7	8,542.0	8,565.4	23.4
Other services	5,336	5,351	5,296	5,305	5,343	5,323	5,316	5,319	5,313	5,313	0
Repair and maintenance	1,230.2	1,226.7	1,220.6	1,217.7	1,230.4	1,218.6	1,219.5	1,222.3	1,220.0	1,218.1	-1.9
Personal and laundry services	1,239.5	1,227.4	1,221.2	1,224.3	1,237.5	1,225.0	1,224.6	1,223.5	1,218.8	1,221.2	2.4
Membership associations and organizations	2,866.1	2,897.2	2,854.6	2,863.1	2,875.3	2,879.5	2,872.1	2,872.7	2,873.8	2,873.5	-.3
Government	21,834	20,319	21,251	21,779	21,544	21,476	21,458	21,470	21,478	21,488	10
Federal	2,780	2,758	2,760	2,728	2,781	2,749	2,747	2,745	2,765	2,740	-25
Federal, except U.S. Postal Service	1,951.6	1,946.8	1,950.9	1,920.3	1,947.5	1,928.2	1,928.9	1,929.5	1,952.4	1,928.4	-24.0
U.S. Postal Service	828.7	811.4	808.9	808.0	833.6	821.1	817.7	815.8	812.6	811.4	-1.2
State government	5,098	4,681	4,912	5,069	4,984	4,925	4,920	4,928	4,944	4,951	7
State government education	2,322.3	1,917.7	2,167.5	2,335.5	2,203.0	2,174.3	2,175.5	2,186.6	2,199.8	2,207.2	7.4
State government, excluding education	2,775.2	2,763.3	2,744.2	2,733.9	2,780.8	2,751.1	2,744.7	2,741.6	2,744.0	2,743.6	-.4
Local government	13,956	12,880	13,579	13,982	13,779	13,802	13,791	13,797	13,769	13,797	28
Local government education	7,925.5	6,653.9	7,512.5	7,943.0	7,691.5	7,718.7	7,723.5	7,735.1	7,687.0	7,707.7	20.7
Local government, excluding education	6,030.0	6,226.4	6,066.5	6,039.1	6,087.7	6,083.5	6,067.2	6,061.9	6,081.7	6,089.5	7.8

[1] Includes other industries, not shown separately.

^{p} = preliminary.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonfarm payrolls by industry sector and selected industry detail

Industry	Not seasonally adjusted				Seasonally adjusted						
	Oct. 2002	Aug. 2003	Sept. 2003^{p}	Oct. 2003^{p}	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003^{p}	Oct. 2003^{p}	Change from: Sept. 2003-Oct. 2003
Total private	33.8	34.0	33.8	33.7	33.8	33.7	33.6	33.7	33.7	33.8	0.1
Goods-producing	40.0	40.1	40.3	40.2	39.7	39.8	39.6	39.8	39.9	39.9	.0
Natural resources and mining	43.4	44.1	44.1	43.9	43.0	43.7	43.2	43.7	43.7	43.6	-.1
Construction	38.7	39.5	39.1	38.9	38.2	38.4	38.3	38.6	38.4	38.4	.0
Manufacturing	40.5	40.2	40.8	40.7	40.3	40.3	40.1	40.2	40.5	40.5	.0
Overtime hours	4.3	4.2	4.5	4.4	4.2	4.0	4.1	4.1	4.2	4.2	.0
Durable goods	40.7	40.6	41.2	41.1	40.6	40.7	40.5	40.5	40.8	40.9	.1
Overtime hours	4.3	4.3	4.6	4.4	4.3	4.1	4.1	4.2	4.3	4.3	.0
Wood products	40.2	40.7	41.0	41.1	39.9	40.3	40.7	40.4	40.4	40.7	.3
Nonmetallic mineral products	42.3	42.6	42.7	42.3	41.9	42.2	41.6	42.1	41.9	42.0	.1
Primary metals	42.3	41.6	42.5	42.4	42.4	42.0	41.7	41.9	42.2	42.4	.2
Fabricated metal products	40.7	40.5	40.9	40.9	40.6	40.5	40.5	40.5	40.7	40.8	.1
Machinery	40.4	40.5	41.1	40.8	40.5	40.9	40.3	40.7	41.1	40.9	-.2
Computer and electronic products	39.4	40.9	40.7	40.7	39.3	40.5	40.5	41.1	40.5	40.6	.1
Electrical equipment and appliances	40.1	40.3	40.7	41.1	39.9	41.0	40.4	40.6	40.6	40.8	.2
Transportation equipment	42.5	40.9	42.6	42.4	42.4	41.4	41.3	40.7	42.0	41.9	-.1
Furniture and related products	38.6	39.4	39.6	39.1	38.7	38.9	38.9	39.1	39.2	39.1	-.1
Miscellaneous manufacturing	38.9	38.1	38.4	38.3	38.8	38.6	38.4	38.2	38.3	38.2	-.1
Nondurable goods	40.1	39.7	40.3	40.1	39.9	39.7	39.4	39.7	39.8	40.0	.2
Overtime hours	4.3	4.1	4.5	4.3	4.1	3.9	4.0	3.9	4.1	4.1	.0
Food manufacturing	39.9	39.7	40.1	39.7	39.4	39.4	39.0	39.3	39.4	39.4	.0
Beverages and tobacco products	39.5	39.1	39.5	38.8	39.4	39.0	38.5	38.8	38.8	38.6	-.2
Textile mills	39.9	38.7	39.4	39.1	40.0	38.6	37.7	38.7	39.0	39.0	.0
Textile product mills	38.7	40.1	41.0	40.6	38.9	39.1	39.8	39.9	40.8	40.5	-.3
Apparel	35.8	34.7	35.1	36.1	35.8	35.0	34.6	34.7	35.2	35.9	.7
Leather and allied products	38.7	38.8	38.4	39.3	38.5	38.8	39.8	39.0	38.5	39.1	.6
Paper and paper products	41.7	41.0	41.7	41.7	41.5	41.4	41.2	41.2	41.2	41.5	.3
Printing and related support activities	38.7	38.1	38.8	38.8	38.5	38.1	38.0	38.0	38.2	38.5	.3
Petroleum and coal products	43.6	43.9	44.9	45.5	43.5	44.1	43.9	44.4	44.5	45.2	.7
Chemicals	42.5	42.2	42.5	42.0	42.5	42.2	42.1	42.3	42.2	42.0	-.2
Plastics and rubber products	40.6	40.1	40.8	41.0	40.5	40.1	40.0	40.2	40.5	40.8	.3
Private service-providing	32.4	32.6	32.3	32.3	32.5	32.4	32.3	32.4	32.4	32.4	.0
Trade, transportation, and utilities	33.5	33.9	33.7	33.6	33.6	33.4	33.4	33.5	33.6	33.6	.0
Wholesale trade	37.7	38.0	37.9	38.0	37.8	37.8	37.8	37.9	37.8	38.0	.2
Retail trade	30.7	31.4	31.0	30.8	30.9	30.8	30.6	30.8	30.9	30.9	.0
Transportation and warehousing	36.8	37.1	37.2	37.1	36.9	36.6	36.9	36.9	37.0	37.1	.1
Utilities	41.2	40.9	40.8	41.5	41.0	41.0	40.9	40.9	40.5	41.3	.8
Information	36.6	36.5	36.2	36.2	36.5	36.4	36.4	36.3	36.2	36.2	.0
Financial activities	35.3	35.4	35.2	35.2	35.5	35.5	35.5	35.5	35.4	35.4	.0
Professional and business services	34.2	34.1	33.8	33.8	34.2	34.1	34.0	33.9	33.9	33.9	.0
Education and health services	32.4	32.7	32.5	32.5	32.5	32.5	32.5	32.7	32.5	32.6	.1
Leisure and hospitality	25.7	26.3	25.3	25.5	25.9	25.5	25.3	25.4	25.5	25.6	.1
Other services	32.0	31.9	31.7	31.7	32.0	31.8	31.7	31.7	31.7	31.7	.0

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[1] Data relate to production workers in natural resources and mining and manufacturing, construction workers in construction, and nonsupervisory workers in the service-providing industries. These groups account for approximately four-fifths of the total employment on private nonfarm payrolls.

^{p} = preliminary.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonfarm payrolls by industry sector and selected industry detail

Industry	Average hourly earnings				Average weekly earnings			
	Oct. 2002	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Oct. 2002	Aug. 2003	Sept. 2003^p	Oct. 2003^p
Total private	$15.12	$15.35	$15.48	$15.45	$511.06	$521.90	$523.22	$520.67
Seasonally adjusted	15.10	15.45	15.45	15.46	510.38	520.67	520.67	522.55
Goods-producing	16.55	16.92	17.01	16.93	662.00	678.49	685.50	680.59
Natural resources and mining	17.25	17.61	17.74	17.67	748.65	776.60	782.33	775.71
Construction	18.79	19.06	19.19	19.11	727.17	752.87	750.33	743.38
Manufacturing	15.45	15.76	15.87	15.79	625.73	633.55	647.50	642.65
Durable goods	16.20	16.47	16.61	16.52	659.34	668.68	684.33	678.97
Wood products	12.37	12.76	12.83	12.78	497.27	519.33	526.03	525.26
Nonmetallic mineral products	15.59	15.81	15.81	15.90	659.46	673.51	675.09	672.57
Primary metals	17.93	18.10	18.25	18.22	758.44	752.96	775.63	772.53
Fabricated metal products	14.78	15.04	15.09	15.03	601.55	609.12	617.18	614.73
Machinery	15.97	16.35	16.43	16.35	645.19	662.18	675.27	667.08
Computer and electronic products	16.24	16.78	16.76	16.74	639.86	686.30	682.13	681.32
Electrical equipment and appliances	14.02	14.43	14.49	14.38	562.20	581.53	589.74	591.02
Transportation equipment	21.13	21.30	21.55	21.27	898.03	871.17	918.03	901.85
Furniture and related products	12.74	13.05	13.11	13.02	491.76	514.17	519.16	509.08
Miscellaneous manufacturing	13.01	13.26	13.41	13.50	506.09	505.21	514.94	517.05
Nondurable goods	14.27	14.67	14.74	14.66	572.23	582.40	594.02	587.87
Food manufacturing	12.66	12.78	12.88	12.71	505.13	507.37	516.49	504.59
Beverages and tobacco products	17.62	17.60	17.33	17.70	695.99	688.16	684.54	686.76
Textile mills	11.70	11.94	12.08	12.03	465.83	462.08	475.95	470.37
Textile product mills	11.02	11.47	11.44	11.32	426.47	459.95	469.04	459.59
Apparel	9.15	9.75	9.77	9.70	327.57	338.33	342.93	350.17
Leather and allied products	11.01	11.73	11.70	11.93	426.09	455.12	449.28	468.85
Paper and paper products	17.09	17.46	17.54	17.55	712.65	715.86	731.42	731.84
Printing and related support activities	15.15	15.37	15.50	15.45	586.31	585.60	601.40	599.46
Petroleum and coal products	23.46	23.01	23.53	23.75	1,022.86	1,010.14	1,056.50	1,080.63
Chemicals	18.00	18.61	18.66	18.68	765.00	785.34	793.05	784.56
Plastics and rubber products	13.66	14.26	14.29	14.13	554.60	571.83	583.03	579.33
Private service-providing	14.72	14.92	15.05	15.05	476.93	486.39	486.12	486.12
Trade, transportation, and utilities	14.13	14.32	14.43	14.36	473.36	485.45	486.29	482.50
Wholesale trade	17.05	17.32	17.37	17.36	642.79	658.16	658.32	659.68
Retail trade	11.78	11.90	12.01	11.89	361.65	373.66	372.31	366.21
Transportation and warehousing	15.94	16.36	16.36	16.38	586.59	606.96	608.59	607.70
Utilities	23.93	24.78	25.11	25.02	985.92	1,013.50	1,024.49	1,038.33
Information	20.59	21.21	21.43	21.37	753.59	774.17	775.77	773.59
Financial activities	16.48	17.30	17.29	17.29	581.74	612.42	608.61	608.61
Professional and business services	16.89	17.04	17.14	17.14	577.64	581.06	579.33	579.33
Education and health services	15.42	15.75	15.78	15.80	499.61	515.03	512.85	513.50
Leisure and hospitality	8.65	8.66	8.78	8.81	222.31	227.76	222.13	224.66
Other services	13.86	13.91	13.99	13.93	443.52	443.73	443.48	441.58

[1] See footnote 1, table B-2.

^{p} = preliminary.

Table B-4. Average hourly earnings of production or nonsupervisory workers[1] on private nonfarm payrolls by industry sector and selected industry detail, seasonally adjusted

Industry	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003^{p}	Oct. 2003^{p}	Percent change from: Sept. 2003-Oct. 2003
Total private:							
Current dollars	$15.10	$15.38	$15.43	$15.45	$15.45	$15.46	0.1
Constant (1982) dollars [2]	8.26	8.30	8.32	8.30	8.28	N.A.	(3)
Goods-producing	16.48	16.79	16.81	16.86	16.91	16.88	-.2
Natural resources and mining	17.21	17.60	17.62	17.69	17.71	17.74	.2
Construction	18.66	18.96	18.96	18.99	19.04	19.04	.0
Manufacturing	15.45	15.72	15.73	15.79	15.84	15.81	-.2
Excluding overtime [4]	14.68	14.98	14.96	15.02	15.06	15.03	-.2
Durable goods	16.19	16.42	16.42	16.49	16.56	16.51	-.3
Nondurable goods	14.29	14.63	14.66	14.70	14.71	14.71	.0
Private service-providing	14.72	15.00	15.06	15.06	15.05	15.07	.1
Trade, transportation, and utilities	14.13	14.34	14.40	14.39	14.38	14.39	.1
Wholesale trade	17.09	17.34	17.36	17.40	17.40	17.41	.1
Retail trade	11.77	11.92	11.96	11.96	11.95	11.94	-.1
Transportation and warehousing	15.92	16.30	16.40	16.36	16.35	16.38	.2
Utilities	23.96	24.62	24.73	24.95	24.91	25.06	.6
Information	20.49	21.13	21.26	21.32	21.30	21.31	.0
Financial activities	16.51	17.17	17.33	17.33	17.31	17.33	.1
Professional and business services	16.99	17.22	17.23	17.24	17.22	17.26	.2
Education and health services	15.42	15.67	15.72	15.76	15.77	15.81	.3
Leisure and hospitality	8.62	8.75	8.76	8.75	8.78	8.79	.1
Other services	13.86	13.98	13.98	13.98	13.98	13.97	-.1

[1] See footnote 1, table B-2.

[2] The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) is used to deflate this series.

[3] Change was -0.2 percent from Aug. 2003 to Sept. 2003, the latest month available.

[4] Derived by assuming that overtime hours are paid at the rate of time and one-half.

N.A. = not available.

^{p} = preliminary.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonfarm payrolls by industry sector and selected industry detail

(2002=100)

Industry	Not seasonally adjusted				Seasonally adjusted						
	Oct. 2002	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Percent change from: Sept. 2003- Oct. 2003
Total private	100.3	100.5	99.5	99.4	99.7	98.7	98.3	98.7	98.7	99.1	0.4
Goods-producing	100.8	99.0	98.9	98.3	98.5	96.3	95.6	96.0	96.1	95.9	-.2
Natural resources and mining	100.7	99.5	98.3	99.0	97.7	96.7	95.4	96.2	95.5	96.0	.5
Construction	103.8	107.9	106.0	104.9	98.7	99.1	98.9	99.9	99.6	99.5	-.1
Manufacturing	99.4	94.7	95.8	95.2	98.5	95.0	94.1	94.1	94.5	94.3	-.2
Durable goods	98.9	94.4	95.3	95.0	98.4	94.8	93.8	93.8	94.1	94.2	.1
Wood products	100.8	100.3	100.4	100.6	99.4	97.5	98.3	97.5	97.6	98.8	1.2
Nonmetallic mineral products	101.5	98.7	98.0	96.3	98.6	95.7	93.6	94.9	93.7	93.7	.0
Primary metals	98.9	91.4	92.6	91.6	98.9	93.4	91.8	91.7	91.5	91.3	-.2
Fabricated metal products	99.5	94.3	94.9	95.2	98.9	94.7	94.3	94.2	94.3	94.6	.3
Machinery	97.5	93.3	94.6	93.9	98.2	95.0	93.6	94.3	95.1	94.5	-.6
Computer and electronic products	97.2	94.7	93.3	93.2	97.2	95.3	94.6	95.4	93.4	93.0	-.4
Electrical equipment and appliances	97.9	90.8	91.8	92.0	97.3	93.7	91.9	91.6	91.2	91.3	.1
Transportation equipment	99.5	93.6	97.4	96.7	99.3	94.4	93.4	92.8	95.5	95.1	-.4
Furniture and related products	96.5	94.2	94.7	93.6	96.9	92.9	93.0	93.2	93.6	93.4	-.2
Miscellaneous manufacturing	100.2	93.1	93.2	93.0	99.5	95.6	94.4	93.2	92.8	92.3	-.5
Nondurable goods	99.9	95.4	96.6	95.5	98.7	95.1	94.2	94.4	94.4	94.6	.2
Food manufacturing	102.4	102.2	103.4	101.1	99.3	98.6	97.9	98.5	98.9	98.8	-.1
Beverages and tobacco products	99.1	88.7	90.4	88.0	97.2	85.7	85.3	85.1	84.9	85.4	.6
Textile mills	96.6	83.8	85.3	83.0	96.5	87.4	83.2	83.6	83.8	82.7	-1.3
Textile product mills	98.4	92.1	95.9	95.5	98.8	93.5	94.6	91.8	95.5	95.0	-.5
Apparel	95.8	76.3	77.1	78.9	94.8	79.2	77.4	76.2	76.0	76.8	1.1
Leather and allied products	100.4	87.9	86.5	88.0	99.9	87.1	91.0	88.1	86.7	86.7	.0
Paper and paper products	98.9	92.9	94.2	93.2	98.2	94.0	93.0	92.8	92.4	92.7	.3
Printing and related support activities	99.7	96.0	96.8	97.1	98.7	96.5	95.8	95.5	95.4	95.8	.4
Petroleum and coal products	101.9	100.8	102.3	102.9	100.0	99.6	98.8	99.5	99.3	100.6	1.3
Chemicals	99.4	99.2	99.0	97.5	100.0	99.0	99.3	99.6	98.9	98.2	-.7
Plastics and rubber products	99.9	95.8	97.3	97.7	99.4	96.1	95.5	95.7	96.3	97.0	.7
Private service-providing	100.2	100.8	99.5	99.9	100.1	99.5	99.2	99.5	99.6	99.8	.2
Trade, transportation, and utilities	99.7	99.2	98.6	99.1	99.6	97.9	97.8	98.2	98.6	98.6	.0
Wholesale trade	98.9	97.9	97.3	97.5	98.9	97.3	97.1	97.2	97.0	97.2	.2
Retail trade	99.4	100.7	99.0	99.5	99.7	98.9	98.2	99.0	99.4	99.6	.2
Transportation and warehousing	100.7	97.3	99.4	99.4	99.9	96.8	97.3	97.1	98.0	98.2	.2
Utilities	100.7	99.4	98.7	100.2	100.4	98.6	98.5	98.8	98.1	100.1	2.0
Information	99.1	100.1	98.2	98.0	99.4	99.6	99.5	99.2	98.8	98.8	.0
Financial activities	99.4	102.0	100.4	100.2	100.3	101.3	101.4	101.4	101.3	101.0	-.3
Professional and business services	101.0	100.1	99.3	99.9	99.9	98.6	98.6	98.3	98.6	98.9	.3
Education and health services	101.6	100.2	101.4	103.3	101.0	101.8	101.7	102.5	102.0	102.6	.6
Leisure and hospitality	99.3	107.3	99.7	98.5	100.6	98.8	98.1	98.6	98.9	99.4	.5
Other services	99.4	99.1	97.3	97.5	99.5	98.3	97.9	97.8	97.7	97.7	.0

[1] See footnote 1, table B-2.

^{p} = preliminary.

NOTE: The indexes of aggregate weekly hours are calculated by dividing the current month's estimates of aggregate hours by the corresponding 2002 annual average levels. Aggregate hours estimates are the product of estimates of average weekly hours and production or nonsupervisory worker employment.

Table B-6. Indexes of aggregrate weekly payrolls of production or nonsupervisory workers[1] on private nonfarm payrolls by industry sector and selected industry detail

(2002=100)

Industry	Not seasonally adjusted				Seasonally adjusted						
	Oct. 2002	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Oct. 2002	June 2003	July 2003	Aug. 2003	Sept. 2003^p	Oct. 2003^p	Percent change from: Sept. 2003-Oct. 2003
Total private	101.4	103.1	103.0	102.8	100.7	101.5	101.5	102.0	102.0	102.5	0.5
Goods-producing	102.2	102.5	103.1	102.0	99.4	99.0	98.4	99.1	99.5	99.2	-.3
Natural resources and mining	100.8	101.7	101.2	101.6	97.6	98.8	97.6	98.8	98.2	98.9	.7
Construction	105.4	111.1	109.8	108.3	99.5	101.5	101.2	102.4	102.4	102.3	-.1
Manufacturing	100.4	97.6	99.4	98.3	99.5	97.6	96.8	97.2	97.9	97.5	-.4
Durable goods	100.0	97.0	98.9	98.0	99.5	97.2	96.2	96.5	97.3	97.1	-.2
Nondurable goods	100.7	98.9	100.6	98.9	99.6	98.3	97.5	98.0	98.1	98.3	.2
Private service-providing	101.2	103.2	102.8	103.2	101.1	102.4	102.5	102.9	103.0	103.2	.2
Trade, transportation, and utilities	100.5	101.4	101.5	101.5	100.4	100.2	100.5	100.8	101.1	101.3	.2
Wholesale trade	99.4	99.9	99.7	99.8	99.7	99.5	99.4	99.7	99.5	99.8	.3
Retail trade	100.3	102.7	101.9	101.4	100.6	101.0	100.6	101.5	101.8	101.9	.1
Transportation and warehousing	101.8	100.9	103.0	103.3	100.8	100.0	101.1	100.7	101.6	102.0	.4
Utilities	100.7	102.9	103.5	104.8	100.5	101.4	101.8	102.9	102.1	104.7	2.5
Information	100.8	105.0	104.0	103.5	100.7	104.0	104.6	104.5	104.1	104.1	.0
Financial activities	101.3	109.2	107.4	107.2	102.4	107.5	108.7	108.7	108.4	108.3	-.1
Professional and business services	101.5	101.4	101.2	101.8	100.9	101.0	101.0	100.8	101.0	101.5	.5
Education and health services	103.0	103.7	105.1	107.3	102.3	104.8	105.1	106.2	105.7	106.6	.9
Leisure and hospitality	100.2	108.4	102.1	101.2	101.2	100.9	100.3	100.6	101.3	102.0	.7
Other services	100.4	100.5	99.2	98.9	100.5	100.1	99.7	99.7	99.6	99.4	-.2

[1] See footnote 1, table B-2.

^{p} = preliminary.

NOTE: The indexes of aggregate weekly payrolls are calculated by dividing the current month's estimates of aggregate payrolls by the corresponding 2002 annual average levels. Aggregate payroll estimates are the product of estimates of average hourly earnings, average weekly hours, and production or nonsupervisrory worker employment.

Table B-7. Diffusion indexes of employment change, seasonally adjusted

(Percent)

Time Span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Private nonfarm payrolls, 278 industries [1]											
Over 1-month span:												
1999	56.3	64.7	56.7	65.8	64.2	61.9	63.3	59.9	57.6	64.4	69.1	64.4
2000	65.5	60.3	65.5	58.8	47.7	61.7	65.5	52.9	52.3	54.1	57.7	53.2
2001	52.3	49.6	48.6	36.5	41.4	38.1	35.6	38.5	39.0	35.6	37.8	36.0
2002	40.5	37.4	37.6	41.0	41.7	43.7	39.0	41.7	43.3	43.9	42.4	37.2
2003	44.2	36.7	44.1	46.9	43.3	37.2	43.2	40.8	^{p} 50.4	^{p} 48.2		
Over 3-month span:												
1999	61.5	64.9	61.0	65.8	66.4	69.1	66.9	64.4	62.2	62.9	66.7	69.6
2000	70.1	66.0	68.3	68.3	58.5	56.3	58.1	62.2	55.9	53.1	54.0	58.3
2001	54.9	50.7	50.5	43.5	37.2	36.0	36.2	35.8	34.5	32.2	31.7	30.9
2002	34.4	38.3	36.5	35.4	36.7	38.8	39.7	41.4	38.1	39.0	37.8	34.9
2003	36.0	35.6	36.0	41.2	43.0	40.6	37.6	34.5	^{p} 41.7	^{p} 48.2		
Over 6-month span:												
1999	66.9	64.9	63.7	64.0	65.6	65.8	66.7	66.2	69.4	68.7	66.4	66.5
2000	67.6	68.7	71.4	71.9	68.5	66.2	67.3	60.4	58.3	55.0	61.0	55.2
2001	53.2	51.4	50.7	47.1	42.8	38.8	37.6	34.5	31.1	32.9	31.3	31.7
2002	30.6	29.9	31.1	31.3	33.3	35.8	36.9	37.4	37.8	39.9	38.3	35.8
2003	37.4	36.5	35.1	34.7	37.4	36.5	38.7	35.1	^{p} 39.9	^{p} 40.3		
Over 12-month span:												
1999	70.5	68.7	68.2	68.0	68.3	68.3	68.0	68.0	67.8	69.1	68.3	69.1
2000	70.9	69.2	73.2	71.0	69.8	71.0	70.0	70.3	70.3	65.6	63.8	62.1
2001	59.5	59.5	53.4	49.3	48.6	45.0	43.3	43.9	39.9	37.8	37.1	34.9
2002	33.6	31.7	30.2	30.2	30.4	30.6	30.8	31.8	31.5	30.0	33.5	33.3
2003	33.8	33.3	34.5	35.4	36.5	35.4	35.8	33.6	^{p} 38.3	^{p} 36.0		
	Manufacturing payrolls, 84 industries [1]											
Over 1-month span:												
1999	42.3	38.7	33.3	39.3	52.4	34.5	50.0	40.5	41.7	50.6	56.0	51.8
2000	50.6	53.6	54.8	42.9	39.9	53.6	62.5	28.6	24.4	35.1	41.1	38.7
2001	24.4	22.0	24.4	14.3	14.3	19.6	14.3	13.7	17.9	16.7	16.7	9.5
2002	19.0	22.6	20.8	33.9	30.4	32.1	34.5	25.0	31.0	19.6	21.4	25.0
2003	36.3	19.0	27.4	20.2	30.4	25.6	31.5	25.6	^{p} 29.8	^{p} 29.8		
Over 3-month span:												
1999	33.9	40.5	37.5	35.7	41.7	43.5	42.3	38.1	41.1	44.6	49.4	56.5
2000	54.2	54.8	58.3	51.8	41.7	41.1	54.8	48.2	29.2	25.6	25.0	42.3
2001	34.5	24.4	17.9	14.3	11.9	14.3	10.7	7.7	8.3	9.5	8.9	8.3
2002	11.9	11.9	16.7	20.2	21.4	20.2	28.6	25.6	25.6	17.9	14.9	10.7
2003	14.9	15.5	19.6	16.7	17.9	14.3	20.2	18.5	^{p} 22.6	^{p} 26.8		
Over 6-month span:												
1999	37.5	32.7	30.4	33.3	36.9	38.1	38.1	34.5	40.5	46.4	41.1	48.2
2000	47.0	51.2	56.5	57.1	49.4	47.6	56.0	44.0	36.9	35.1	34.5	31.0
2001	23.8	24.4	20.8	17.9	14.9	11.9	13.7	9.5	8.3	6.5	6.5	6.0
2002	7.7	8.9	7.7	8.9	12.5	16.7	19.6	19.6	23.8	17.9	16.7	13.7
2003	13.7	14.3	12.5	11.9	12.5	15.5	13.1	13.7	^{p} 14.3	^{p} 17.9		
Over 12-month span:												
1999	35.7	32.1	29.8	32.1	32.7	32.1	34.5	32.1	33.3	39.3	41.1	42.9
2000	41.7	39.3	47.0	50.0	46.4	52.4	51.8	49.4	46.4	40.5	35.1	33.3
2001	29.8	32.1	20.8	19.0	13.1	12.5	10.7	11.9	11.9	10.1	8.3	6.0
2002	7.1	6.0	6.0	7.1	7.7	5.4	6.0	8.9	7.7	9.5	13.1	13.1
2003	13.7	15.5	16.7	13.1	15.5	16.1	13.1	14.3	^{p} 12.5	^{p} 11.9		

[1] Based on seasonally adjusted data for 1-, 3-, and 6-month spans and unadjusted data for the 12-month span.

^{p}= preliminary.

NOTE: Figures are the percent of industries with employment increasing plus one-half of the industries with unchanged employment, where 50 percent indicates an equal balance between industries with increasing and decreasing employment.

U.S. Department of Labor

Bureau of Labor Statistics
2 Massachusetts Ave. N.E.
Washington, D.C. 20212

DEC 8 2003

Honorable Baron Hill
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Hill:

At the November 7th hearing of the Joint Economic Committee on the Employment Situation, you asked if the Bureau of Labor Statistics (BLS) has data on the change in earnings for workers who lose a job in manufacturing and find employment in other industries.

The Bureau has a biennial survey that collects information on the number and characteristics of displaced workers as a supplement to the Current Population Survey. Displaced workers are those who had lost or left jobs in the prior 3 years because their plant or company closed, there was insufficient work, or their job was abolished. For those who were displaced, questions are asked about the characteristics of the jobs lost, including the industry and their earnings. The latest data collected in January 2002 show that 2.3 million people were displaced from full-time wage and salary jobs in manufacturing during the period from 1999 through 2001 and that on those jobs their median weekly earnings were $598. At the time of the survey in January 2002, about half of the 2.3 million had found full-time wage and salary jobs in manufacturing or some other industry; the remaining half were out of the labor force, unemployed, self employed, or working part time. The median weekly earnings for those reemployed in new full-time wage and salary jobs were only $529.

I also promised to provide information about average salary levels in the service sector versus the manufacturing sector. For these statistics, I will refer to the Current Employment Statistics survey, which collects data from the payroll records of employers. Average weekly earnings in manufacturing were $645.86 in November 2003, the latest month available. Average weekly earnings in private service-providing were $490.10 and ranged from $226.27 in leisure and hospitality to $772.77 in information. (See table).

Employment and average weekly earnings of production or nonsupervisory workers in manufacturing and private service-providing industries
(Seasonally adjusted, employment in thousands)

Industry	Average weekly earnings Nov. 2003	Nov. 2001-Nov. 2003 emp. change
Manufacturing	$645.86	-1,283
Private service-providing	490.10	371
Trade, transportation, and utilities	483.84	-451
Information	772.77	-272
Financial activities	611.31	127
Professional and business services	591.98	51
Education and health services	516.99	788
Leisure and hospitality	226.27	124
Other services	444.25	4

Source: Bureau of Labor Statistics, Current Employment Statistics Survey

The table also shows employment growth since the end of the recession in November 2001. Manufacturing employment declined by 1.3 million during that time. Within private service-providing, education and health services added the most jobs, 788,000. Other gainers include financial activities, professional and business services, leisure and hospitality, and other services. All of these industries have average weekly earnings lower than the average weekly earnings for manufacturing.

I hope this information is helpful to you. Please do not hesitate to contact me if you have further questions.

Sincerely yours,

JOHN M. GALVIN
Associate Commissioner for
Employment and Unemployment Statistics